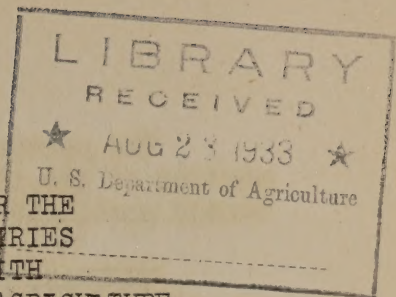


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TENTATIVE MARKETING AGREEMENT FOR BOSTON

PROPOSED AGREEMENT RELATING TO MILK MARKETING FOR THE
GREATER BOSTON MARKET DRAFTED BY CONSOLIDATED DAIRIES
INC., AND DISTRIBUTORS DOING BUSINESS WITH IT, WITH
APPLICATION FOR HEARING BEFORE THE SECRETARY OF AGRICULTURE.



As used in this agreement, the following words and phrases shall be defined as follows:

- (a) "Contracting Producers" means and includes Consolidated Dairies, Inc., and such other associations of producers and producers of "Boston Milk" sold or consumed in the "Greater Boston Market" as may at any time become parties signatory to this agreement.
- (b) "Contracting Distributors" means those who purchase, bottle or distribute "Boston Milk" in the Greater Boston Market or for resale in the Greater Boston Market" and who may at any time become parties signatory to this agreement.
- (c) "New England Milk Shed" means and includes the farms of producers of milk as defined in Exhibit A.
- (d) "Greater Boston Market" means and includes the City of Boston and the other cities and towns listed in Exhibit B.
- (e) "Boston Milk" means and includes such fluid Boston milk, surplus Boston milk, fluid cream, and such other fluid derivatives of milk as are produced in the New England Milk Shed and are sold by Contracting Distributors in the Greater Boston Market or are ordinarily available to them for such sale.
- (f) "Fluid Boston Milk" means and includes milk sold in its fluid form by Contracting Distributors in the Greater Boston Market.
- (g) "Surplus Boston Milk" means and includes all other Boston Milk purchased by Contracting Distributors.
- (h) "Director" means the managing director appointed in the manner and having the duties hereinafter provided.
- (i) "Secretary" means the Secretary of Agriculture of the United States.
- (j) "Act" means the Act of Congress approved May 12, 1933, of which the short title is "Agricultural Adjustment Act."

The parties to this agreement are the Contracting Producers, parties of the first part, the Contracting Distributors, parties of the second part, and the Secretary, party of the third part.

WHEREAS, pursuant to the Act, the parties hereto, for the purpose of correcting the conditions now obtaining in the marketing of Boston Milk, desire to enter into a marketing agreement under the provisions of Section 8 (2) of the Act; and

WHEREAS Consolidated Dairies, Inc., markets more than 70% of Boston Milk, and represent that they have corporate power and authority to enter into this agreement; and

WHEREAS distributors distributing more than 70% of Boston Milk have signified their intention and desire to become Contracting Distributors; and

WHEREAS the Contracting Producers and the Contracting Distributors desire to provide for a Director and a Board of Arbitration to perform certain duties relative to the orderly production and distribution of milk in the Greater Boston Market; and

WHEREAS the marketing of Boston Milk and the distribution thereof affect and enter into both the current of interstate commerce and the current of intrastate commerce, which are inextricably mingled;

NOW THEREFORE, in consideration of the premises, the parties hereto agree as follows:

1. The prices at which Boston Milk shall be sold by the Contracting Producers and purchased by the Contracting Distributors shall be not less than those set forth in Exhibit C which is attached hereto and made a part hereof, except that the prices at which Surplus Boston Milk shall be sold by the Contracting Producers and purchased by the Contracting Distributors when resold as fluid milk in any other market than the Greater Boston Market shall be not less than the prevailing price as determined by the Director, paid in such market for milk used for fluid sales by Distributors in such other markets. The prices set forth in Exhibit C may be changed from time to time by agreement between the Contracting Producers and the Contracting Distributors provided, however, that such price changes shall become effective only upon the written approval of the Secretary.

2. The marketing plan, which is attached hereto and made a part hereof, and marked Exhibit D, shall be binding upon the Contracting Producers as to all matters therein required on their part to be performed, and upon the Contracting Distributors as to all matters therein required on their part to be performed. Such marketing plan may be modified by agreement between the Contracting Producers and the Contracting Distributors provided, however, that any such modification shall become effective only upon the written approval of the Secretary.

3. The wholesale and retail prices at which Boston Milk and cream from sources outside the New England Milk Shed shall be resold by the Contracting Producers in the Greater Boston Market shall be not less than those defined and set forth in Exhibit E, which is attached hereto and made a part

hereof. The prices set forth in Exhibit E may be changed by agreement between the Contracting Producers and the Contracting Distributors, provided however that such price changes shall become effective only upon the written approval of the Secretary.

4. Payment by each Contracting Distributor to its producers shall be made for periods ending semi-monthly on the fifteenth and last days of each month, and shall be made not later than thirty days from the close of each period. The amount of such payments shall be computed by the Director in accordance with the principles set forth in Exhibit D and the results of such computation shall be transmitted to such Contracting Distributor a sufficient time in advance so that such Distributor may make payment as aforesaid.

5. The Contracting Distributors agree that they will not purchase Boston Milk from any individual producer not a member of the New England Milk Producers' Association unless such producer authorizes the purchasing Contracting Distributor to deduct and pay over to Director the same amount per hundredweight of Boston Milk purchased which the members of New England Milk Producers' Association are then authorizing the Contracting Distributors to deduct and pay over to the New England Milk Producers' Association on behalf of its members; and said purchasing Contracting Distributor shall simultaneously with making payment to the producer for Boston Milk purchased make such payment to the Director. The sums so paid shall be kept as a separate fund by the Director for the purpose of securing to said producers not members of the New England Milk Producers' Association advertising, educational, credit loss and other benefits similar to those which are secured by the members of the New England Milk Producers' Association by virtue of their like payments to said Association. The Director shall disburse such funds only with the approval of the Secretary.

6. All producers of Boston Milk, whose milk is qualified for sale as Fluid Boston Milk, shall, as heretofore, be permitted, as far as marketing conditions may allow, to become members of the New England Milk Producers' Association, or any other Association of producers which may become party hereto on an equal basis with existing members similarly circumstanced.

7. The Rules of Fair Practices set forth in Exhibit F, which is attached hereto and made a part hereof, shall be the Rules of Fair Practices for the Greater Boston Market.

8. The standards governing the production, receiving, transportation, processing, bottling and distribution of Fluid Boston Milk shall be that required by the laws and regulations of the states and municipalities where it is produced and where it is sold and by the standard of quality of the particular Contracting Distributor to whom the milk is sold (approved in case of dispute by the Board of Arbitration).

9. (a) The parties agree that they will name a person satisfactory to the Secretary to act as Director during the period of this agreement. Such Director, or any successor, may be removed by a writing or writings delivered to him and signed by Contracting Producers handling at least 80% of the Fluid Boston Milk and by at least 30% of all Contracting Distributors including Contracting Distributors handling at least 50% of the Fluid Boston

Milk. In case of any vacancy in the office of Director, a successor, shall be promptly appointed by the Board of Arbitration. Nothing contained in this agreement shall, however, be construed to constitute the Director or any person acting under his authority the agent or representative of the Secretary.

(b) Each Contracting Producer and each Contracting Distributor agrees to refer to the Director any disputes whatsoever arising under this agreement, any of its exhibits, or otherwise, in connection with the production and distribution of milk for the Greater Boston Market, and subject to appeal to the Board of Arbitration as hereinafter provided and to the power of the Secretary hereinafter referred to, all action by the Director shall be final and binding upon the Contracting Producers and Contracting Distributors.

(c) The Director shall have power to employ such assistants, clerks, and accountants, as he may deem necessary in the performance of his duties.

(d) The compensation and disbursements of the Director in an amount not exceeding 1¢ per cwt. of fluid Boston milk approved by Contracting Producers handling at least 80% of Fluid Boston Milk shall be paid monthly, one-half by the Contracting Producers and one-half by the Contracting Distributors prorata in accordance with the amounts of Fluid Boston Milk handled by each. The share payable by the Contracting Producers shall be deducted by the Contracting Distributors from the amounts otherwise due to Contracting Producers, and the amount so deducted, together with the portion payable by Contracting Distributors shall be paid to the Director.

(e) The Contracting Producers and the Contracting Distributors shall severally maintain systems of accounting necessary to permit the Director or his agents or accountants to obtain the information required by him for the proper performance of his duties hereunder, and their respective books and records shall be subject to examination by the Director during usual hours of business, and they shall severally from time to time furnish the Director in accordance with the forms to be prescribed by said Director or supplied by the Secretary of Agriculture, such information as said Director may request. The information obtained by the Director shall, except for the Secretary, be kept by him as confidential; except that the Director shall upon request furnish any Contracting Producer or any Contracting Distributor with an unitemized statement of the total purchases of Boston Milk and total sales of Boston Fluid Milk for any accounting period.

(f) The Director shall monthly report to the Secretary the results of his audit and shall furnish the Secretary with such further information as the Secretary may from time to time request.

10. (a) All disputes hereunder may before submission to the Secretary be submitted to the Board of Arbitration by any Contracting Producer or any Contracting Distributor; provided that if during proceedings before said Board the Secretary shall act in the premises, the proceedings shall terminate.

(b) The initial Board of Arbitration shall consist of three members; one member shall be appointed by the Contracting Producers handling at least

80% of the Fluid Boston Milk; one member shall be appointed by at least 70% of all Contracting Distributors, including Contracting Distributors handling at least 50% of the Fluid Boston Milk. The two arbitrators so appointed shall choose a third arbitrator. All appointments shall be in writing or writings delivered to the Secretary. Parties appointing arbitrators as aforesaid shall have power to appoint in the same manner alternates who shall serve in the case of the failure or inability of the principal arbitrators to serve, and shall have power so to appoint successor arbitrators and alternates. In the same manner such parties may remove their respective arbitrator, alternate or successor. If for any reason a vacancy shall exist in the office of arbitrator for a period of more than ten days, the Secretary may fill such vacancy, but nothing contained in this agreement shall be construed to constitute the Board of Arbitration or any member thereof the agent or representative of the Secretary.

(c) The decision of a majority of the Board of Arbitration shall be final and conclusive and shall be effective as of the date specified in the award, subject always to the power of the Secretary hereinafter referred to. The Board of Arbitration shall have power to establish rules governing the taking of appeals and the procedure before the Board.

(d) The Board of Arbitration shall have power to allocate costs (including reasonable compensation to the arbitrators, not to exceed \$100 a day apiece for time actually devoted) among such of the Contracting Producers and the Contracting Distributors as in the judgment of the Board shall be affected by the award, in such manner as the Board shall consider just and equitable. Each Contracting Producer and each Contracting Distributor will pay to the Director for the account of the Board, all costs so assessed upon each respectively, forthwith upon notice of the amount thereof, and will upon request of the Director pay to him for the account of the Board, his pro rata share (determined on the basis above set forth for determining the payment of the compensation and disbursements of the Director) of a minimum payment of \$25 per month to each of the members of the Board of Arbitration.

11. Whenever as to each other New England market, the Secretary shall decide that the declared policy of the Act may be carried out by marketing milk for such other market in substantially the manner set forth in this agreement, each Contracting Producer and each Contracting Distributor handling milk for such market, will, upon request of the Secretary, execute a contract similar to this contract, covering milk to be sold in such other market, but containing such variations to meet the local situation as the Secretary shall deem desirable.

12. In addition to the necessary approvals by the Secretary above set forth, all action by the Board of Arbitration shall be subject to reversal, modification, and review by the Secretary whenever from time to time he shall desire. The Board of Arbitration shall submit to the Secretary such information as the Secretary shall from time to time request.

13. All notices other than notices by or to the Secretary, by or to Contracting Producers and Contracting Distributors the Director and the Board of Arbitration shall be properly delivered when mailed, postage prepaid, to the last and usual known address of the recipient.

14. This agreement shall become effective at such time as the Secretary may declare above his signature attached hereto, and shall continue in force until the last day of the month following the aforesaid effective date, and thereafter from month to month, except that:

- (a) The Secretary may (and shall upon the written request of either Contracting Producers handling at least 70% of Fluid Boston Milk or 50% of the Contracting Distributors including Contracting Distributors handling at least 25% of Fluid Boston Milk or not less than five Contracting Distributors handling at least 60% of the Fluid Boston Milk) by notice in writing deposited in the registered mails and addressed to the Secretary, on or before the 20th day of any month, terminate this agreement as of the end of such month.
- (b) The Secretary may for good cause shown, as of the end of any month, terminate this agreement as to any Contracting Producer or any Contracting Distributor by notice in writing deposited on or before the 20th of said month in the registered mails and addressed to such party or parties.
- (c) This agreement shall in any event terminate whenever the President or Congress shall terminate those provisions of the Act which authorize this agreement.

15. The benefits, privileges and immunities conferred by virtue of this agreement shall cease upon its termination except with respect to acts prior thereto, and the benefits, privileges and immunities conferred by virtue of this agreement upon any party signatory hereto shall cease upon its termination as to such party except with respect to acts done prior thereto.

IN WITNESS WHEREOF, each Contracting Producer and each Contracting Distributor has caused this agreement to be duly executed on his or its behalf and on behalf of any of its principals or members, and all companies from time to time controlled by it, and its and their successors and assigns, and the Secretary of Agriculture of the United States has executed this agreement.

EXHIBIT "A"

NEW ENGLAND MILK SHED PRODUCTION AREA

1. All producers of "Fluid Milk" whose farms have been inspected by any municipality in Massachusetts, New Hampshire and Maine or by the state of Massachusetts in the following states, counties and towns:-

Vermont -

Chittenden County - The following Towns:
Milton, Westford, Underhill, Colchester, Essex,
Jericho, Bolton, Burlington, South Burlington,
Williston, Richmond and Huntington.

Rutland County - Towns: Shrewsbury,
Mt. Holly, Wallington and Clarendon.

The following counties entire:

Caledonia	Orange
Essex	Orleans
Franklin	Washington
Grande Isle	Windham
Lamoille	Windsor

Maine -

All counties except Aroostook, Hancock and
Washington.

New Hampshire - entire State

Massachusetts - entire state except the following Towns:
Sheffield, New Marlborough, Mt. Washington and Egremont.

2. And those farms supplying the following:

- (a) In Connecticut supplying Massachusetts cities and towns.
- (b) In New York State supplying Pittsfield, Mass., Stewarttown, N.Y.
- (c) Irona Creamery Company, Inc., - Irona, N.Y.
- (d) Dickenson Creamery - Shoreham, Vermont
- (e) United Dairy System plant - Hoosick, N. Y.
- (f) H. P. Hood & Sons, Inc. plants at Eagle Bridge and Salem, N.J.

Exhibit B

GREATER BOSTON MARKET DEFINITION

"Greater Boston Market" means and includes the City of Boston, Massachusetts, and the following cities and towns:

Rockport, Gloucester, Essex, Manchester, Hamilton, Wendham, Beverly, Danvers, Peabody, Salem, Marblehead, Winthrop, Swampscott, Lynn, Lynnfield, Saugus, Nahant, Reading, Wakefield, Woburn, Stoneham, Melrose, Malden, Revere, Everett, Chelsea, Wilmington, Burlington, Bedford, Concord, Lincoln, Lexington, Winchester, Arlington, Somerville, Cambridge, Belmont, Watertown, Newton, Waltham, Sudbury, Wayland, Weston, Framingham, Natick, Wellesley, Dover, Needham, Brookline, Dedham, Westwood, Norwood, Walpole, Sharon, Canton, Stoughton, Milton, Quincy, Avon, Randolph, Holbrook, Braintree, Weymouth, Abington, Rockland, Hingham, Hull, Cohasset, Scituate, Hanover, Norwell, Marshfield, Pembroke, Duxbury, Kingston, Plympton, Plymouth, Carver, Wareham and all towns in Barnstable, Dukes and Nantucket Counties.

Exhibit C

PRICES TO PRODUCERS

Subject to computation in accordance with Exhibit D the minimum prices to producers of Boston Milk shall be as follows:

A. Fluid Boston Milk

1. Where milk passes through a country receiving station the following shall be the minimum prices paid by Contracting Distributors to producers based on receipt of milk at the country receiving station receiving room door in the zone 181-200 miles from Boston:

Class I Family Milk \$2.163 per cwt.

Class I Grade A Milk - To the price of Class I Family Milk there shall be added at least the following amounts based on quality as determined by the average of not less than four plate counts a month using the American Public Health Association Standard Methods:

	June & Sept	July & Aug.	Oct. 1 to June 1
10,000 and less per c.c.	40¢	50¢	30¢
Above 10,000 and less than 25,000	35¢	40¢	23¢

The above premiums shall be paid for milk testing when delivered not less than 3.4% butterfat.

The foregoing prices shall be adjusted to reflect different points of receipt and various services rendered as follows:

(a) Where the shipment originates in a zone other than the 181-200 milk zone the price shall be decreased or increased by the amount by which the L.C.L. passenger railroad tariff for 40 qt. cans for the zone of shipment exceeds or is less than such tariff for the 181-200 mile zone.

(b) In case the Distributor receives the milk at the country receiving station shipping room door or later there shall be added to the price a country station charge of \$.30 per hundredweight for Family Milk and an additional \$.20 per hundredweight on Grade A Milk.

(c) In case the Distributor shall not furnish containers from the country receiving station to the Distributor's city plant the price shall be increased by \$.03 per hundredweight.

(d) In case the Distributor trucks the milk from a country receiving station located more than one mile from the railroad to the railroad the price shall be decreased by the actual cost of such trucking.

(e) Where the Distributor does not operate the country receiving station and the country receiving station ices and loads cars or trucks, there shall be added to the price \$.03 per hundredweight.

(f) Distributors may combine their shipments so carload volume will be shipped.

(g) Where the Distributor receives his milk at the railroad platform in the Greater Boston Market (instead of the adjustment under (a) above), there shall be added to the price the CL railroad rate for the zone of shipment in cases where the shipment is in carload lots and the LCL passenger railroad tariff for 40 qt. cans for the zone of shipment where the shipment is in less than carload lots.

(h) Where the Distributor receives his milk at his city plant in the Greater Boston Market, there shall be added to the price the cost of trucking from the railroad platform in the Greater Boston Market in the case of rail shipments, and the cost of trucking from the country receiving station in the case of trucked shipments.

2. Where milk does not pass through a country receiving station but is trucked directly from the farm to Distributor's city plant in the Greater Boston Market, the following shall be the minimum prices paid by Contracting Distributors to producers:

Class I Family Milk \$2.964 per cwt.

Class I Grade A Milk To the price for Class I

Family Milk there shall be added the same amounts as provided in paragraph 1 of this subdivision.

The foregoing prices shall be adjusted to reflect service rendered as follows:

(a) The price shall be decreased by \$.10 per hundredweight for weighing and testing.

3. Prices under both 1 and 2 above shall be subject to the following additional adjustments:

(a) Where the Distributor furnishes containers from the producer's farm to the receiving station of the Distributor either in the country or in the city, the price shall be decreased by \$.0075 per hundredweight.

(b) Where shortages occur because cans are not filled to the neck, the Distributor need not pay for the amount of such shortage.

(c) The foregoing prices are based upon milk testing 3.7% butterfat, and shall be subject to a differential for each 1/10 of 1% butterfat above or below 3.7% equal to 1/10 of the average of the daily quotations issued by the U.S.D.A. Bureau of Agricultural Economics for 92 score fresh butter at Boston for the period in which said milk is purchased.

B. Surplus Boston Milk

1. The price for Class 2 Milk shall be determined f.o.b. point of initial receipt from producer in accordance with the following formula:

(a) Take for the month during which Class 2 is received the average of the daily quotations issued by the U.S.D.A. Bureau of Agricultural Economics for 92 score fresh butter at Boston plus 20%, multiply the price per pound thus obtained by 3.7 and thereby determine the final price per cwt. for product covered by Class 2.

(b) The above prices are based on milk containing 3.7% butterfat subject to a differential for each 1/10 of 1% butterfat above or below 3.7% butterfat equal to 1/10 of the average of the daily quotations issued by the U.S.D.A. Bureau of Agricultural Economics for 92 score fresh butter at Boston for the period in which said milk is purchased.

C. Cream as Such

The price for cream as such delivered by Contracting Producers shall be determined in accordance with the formula for determining the butterfat cost in sub paragraph (a) under Section B. above plus 30¢ per cwt. of milk for station charge (8.11¢ per lb. of butterfat) plus container service and transportation to the market from the point of shipment as provided in sub-paragraph (b), (e) and (g) of paragraph 1 of subdivision A hereof.

D. Definitions

(a) "Class I Milk" or "Fluid Milk" shall be all Fluid Boston Milk sold by the Distributor.

(b) "Class 2 Milk" or "Surplus Milk" shall be the surplus Boston Milk handled by the Distributor.

(c) The weight of a quart of milk shall be taken as 2.15 pounds, and 100 pounds of milk shall be taken to include 46 1/2 quarts.

(d) The milk contained in a "40 qt. can" of milk filled to the neck; shall be deemed to weigh 85 pounds and to contain 39 1/2 quarts.

(e) "Milk" shall be all milk or cream containing not exceeding six per cent butterfat.

(f) "Cream" shall be all milk or cream containing more than six per cent butterfat.

- (g) A 40 qt. can of forty per cent butterfat cream shall be taken to contain 33 pounds of butterfat and to contain 82.5 pounds of cream.
- (h) Milk shall be classified as to its recognized grade when first received by the Distributor and shall be paid for accordingly.

Exhibit D

MARKETING PLAN

METHOD OF COMPUTING PAYMENTS TO PRODUCERS AND RULES
FOR THE ESTABLISHMENT AND CONTROL OF BASE AND SURPLUS MILK

1. In order to properly allocate among the producing groups who become a party to the New England milk stabilization program the payments received from Contracting Distributors and others for milk, each individual producer shall be given a base, which is a percentage of the total fluid sales in the market plus the quantity of Class I milk allocated to the secondary markets based upon the relationship that their production is to the total production of milk during a definite period of the year (September, October and November, 1932). The total of the individual bases of producers delivering to each of the Contracting Producers shall constitute the base of the group. Such group base shall be adjusted to conditions in effect at the effective date of this agreement by deducting from the base established the proportion of the base held by producers who have discontinued delivery of milk, and by adding to the base the bases of new producers taken on since December 1st, 1932, in accordance with the procedure outlined in paragraph six (6). Under this plan each unit would then assume the burden of any seasonal surplus which such units might have.

2. Cognizance must be given to the fact that certain dairymen and some groups of dairymen evened their seasonal fluctuation in production, and therefore, should not be penalized for the unevenness of others.

The following milk will be deducted from total fluid sales in Greater Boston market in setting up ratings.

- a. Certified milk and milk produced on farms owned and operated directly or indirectly at the present time by distributing company.
- b. Base milk, excess not included, from producers in the local and secondary territories established and in effect at the time the stabilization program starts to function.
- c. Bases now established and in effect of milk producers delivering on a basic rating plan prior to September 1, 1931.

3. The basic rating plan as applied to individual producers shall be as follows:-

- a. The base of rating for all producers other than those provided for under paragraph 2 above shall be the deliveries of milk

during the period September, October and November 1932 adjusted to the percentage of fluid milk allocated to the group as a whole on a rating. This shall apply only to producers who have not been on the rating plan except that those producers not delivering milk during September, October and November 1932 will be given a base in accordance with Paragraph 6 hereof.

- b. Penalty for delivering under ratings. Producers delivering less than 75% of their rating for four consecutive periods (two months) shall establish a new rating equal to the average of such production during such period.
- c. The base will go with the farm except when the herd of cows is moved en bloc, by the same owner to a new farm. Farms not producing milk shall hold their established base for a period of six months.
- d. Basic ratings cannot be bought, sold or transferred, except as provided. There can be only one basic rating for a farm. Producers changing from one buyer to another will receive the same basic rating with the new buyer as existed with the old buyer. Milk cannot be bought, sold or transferred between producers, nor can producers sell any of their product to other dealers in fluid milk form.
- e. The base will remain in effect for a period of six months following the initial test for tuberculosis, following the loss of barn or herd, or both, by fire, following the loss of herd by lightning. The base shall also be retained for a period of 45 days in the case of being shut off by the Board of Health; in case of Board of Health quarantine due to contagious disease base will be retained for the period of quarantine.
- f. 1934 Base. 1934 Bases shall be the average of the September, October and November 1933 production up to the 1933 base. Any increase over and above the 1933 base will be allocated to those making it on a basis of the percentage the total production in the market as a whole is to the sales in the market provided, however, that total ratings will not exceed total sales for the rating period.
- g. The method will be worked out to allocate to producers annually who ran a heavy surplus for the year as a whole rating lost by other producers or increased in sales.

4. The only milk which can be considered in setting up bases or ratings will be milk that is actually qualified for delivery to the Boston market and will be the production of those milk producers who were delivering milk or cream during the rating months of 1932. Producers that were delivering milk during September, October and November 1932, but are temporarily delivering cream, will be allowed to share in the milk allotment and maintain his base or rating, provided the cream producers commence delivery of milk daily within 45 days after this agreement becomes effective. Producers must not be transferred from milk to cream, or vice versa, if the groups receiving their product are

to retain their established bases. This is done for the reason that in order to compete on a quality basis New England cream must be manufactured from daily deliveries of fluid milk. Milk producers transferring from one unit to another unit will take their proportion of the established base with them.

5. Producers now delivering cream and not included in the above paragraph, will be maintained on their present basis until the market needs this product, or until these producers qualify for the milk market and deliver fluid milk daily, even though this product may continue to be put into cream at the receiving station. The base or rating for this volume of product will be computed as follows:

Take the average daily deliveries of pounds of butterfat during the months of September, October, and November 1932 converted to its milk equivalent on a 3.7% basis, and the production thus determined subjected to the average percentage of rated milk allocated to all the groups.

6. New producers - that is, producers on farms that were not included in the establishment of the base or rating on any group if marketing conditions permit will be paid during the first ninety (90) days in which they produce and market the rating price for a quantity of milk equal to 60% of their average daily deliveries for part of said ninety (90) days as falls within the period from July 1 to April 30 inclusive and 50% of their average daily production for such part of said ninety (90) days as falls within the period from May 1 to June 30. The average of the quantity of milk paid the rating price during said 90 days establishes his base.

7. In making settlements any excess in sales over ratings or bases delivered, considering the groups as a whole, will be handled by applying such excess sales on the ratings of all units. When the total of fluid milk sales for any particular month are less than the total of ratings established for the group as a whole, then the fluid milk sales shall be proportioned among the units on the basis that total sales are to total bases or ratings.

8. The groups will make a disbursement of the money represented by these sales to their individual producers on a basic rating plan substantially in accordance with the plan for the groups as a whole using the same percentage for allocation of ratings to the individual producer as is received by the group from the market as a whole. Under the plan, substantially uniform prices should be paid for ratings and excess over ratings.

9. Milk must not be transferred between groups of producers for the purpose of taking advantage of favorable or unfavorable base positions of the groups or producers. Milk, either that of a group, or a producer, that is transferred from one unit to another and participates in the fluid sales allotment will take with it the proportionate share of the established base as made during the rating period.

10. The information needed to carry on this program is approximately as follows:

- a. Total receipts of milk from producers by each group during the rating months.

- b. Total fluid milk sales of each group for rating period.
- c. The actual total sales of the groups for the period for which prices are being computed.
- d. Actual receipts of milk from producers delivering milk to the groups for the period for which prices are being computed.

11. Milk moved into outside markets for Class 1 purposes from up-country receiving stations during the rating period will be allocated to these markets and paid for at the Class I price established and applicable to the outside market, thereby allocating the market requirements to the secondary market equitably. Production for shipments to New York market will not be included in establishing bases.

12. Milk purchased in time of shortage by the groups from outside sources shall be deducted from sales before payment is figured.

13. The Director shall be authorized to verify all reports and determine ratings under this plan. Expense of such verification shall be paid by the industry by an assessment on milk handled, one-half from producers and one-half from distributors.

EXHIBIT E

RESALE PRICES

Fluid Boston Milk and Cream Price Schedule - Minimum Retail Prices.

A. Retail:

Milk - bottled

Family -

Quarts	12¢
Pints	7 1/2¢

Grade A -

Quarts	15¢
Pints	10¢

Skimmed milk and buttermilk -

Quarts	09¢
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Cream - bottled - Delivered to the consumer by distributor or by store.

		<u>Quarts</u>	<u>Pints</u>	<u>1/2 Pints</u>
Light	18%-20%		\$.20	\$.12
Medium	25%-27%			.15
Heavy	34%-35%			.18
Extra Heavy	38%-40%	.70		.20
Sour	20%-22%	.38	.20	.12

Retail Cream - bottled - From stores on Cash and Carry Basis -

		<u>Quarts</u>	<u>Pints</u>	<u>1/2 Pints</u>
Light	18%-20%	_____	_____	_____
Medium	25%-27%	_____	_____	.14
Heavy	34%-35%	_____	_____	.17
Extra Heavy	38%-40%	_____	_____	.19
Sour	20%-22%	.36	.19	.11

B. Wholesale:

Milk bottled

Family milk

Quarts	10¢
Pints	6¢
1/2 Pints	3 1/2¢
Bulk - 8 qt. can	72¢

Grade A Milk

Quarts	13¢
Pints	9¢
1/2 Pints	5¢
Bulk - 8 qt. can	88¢

Skimmed Milk and Buttermilk

Quarts	.07 1/2¢
1/2 Pints	.03 1/2¢
Bulk - per quart	.06

Cream - bottled

		<u>Quarts</u>	<u>Pints</u>	<u>1/2 Pints</u>
Light	18% -20%	\$.34	\$.18	\$_____
Medium	25%-27%	.40	_____	.12
Medium	29%-31%	.45	_____	_____
Heavy	34%-35%	.50	_____	.15
Extra Heavy	38%-40%	.60	_____	.17
Sour	20%-22%	.34	.18	.10

Cream - Bulk per 8 quart can

<u>Test</u>	<u>Price per Can</u>
16%	\$2.00
20%	2.40
25%	2.80
30%	3.30
35%	3.75
40%	4.25

Cream - Bulk - per 40 quart Can

<u>Test</u>	<u>Price per 40 Qt. Can</u>
40%	\$17.00

Resale prices for Barnstable, Dukes and Nantucket Counties.
Differential above Boston Resale prices.

A. Retail:

Milk - bottled

Family delivered to the consumer by distributor or by store -

Quarts	\$.02
Pints	.01

Family milk from stores on cash and carry basis -

Quarts	\$.02
Pints	.01

Grade A - delivered to consumer by distributor or by store -

Quarts	\$.02
Pints	.01

Grade A - from stores on cash and carry basis -

Quarts	\$.02
Pints	.01

Skimmed milk and buttermilk -

Quarts	\$.02
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Cream - bottled - Delivered to the consumer by distributor or by store.

	<u>Quarts</u>	<u>Pints</u>	<u>1/2 Pints</u>
Light	_____	\$.02	\$.02
Medium	_____	_____	.02
Heavy	_____	_____	.02
Extra Heavy	.04	_____	.02
Sour	.04	.02	.02

Retail Cream - bottled - From stores on Cash and Carry Basis.

	<u>Quarts</u>	<u>Pints</u>	<u>1/2 Pints</u>
Light	---	---	--
Medium	---	---	.02
Heavy	---	---	.02
Extra Heavy	---	---	.02
Sour	.04	.02	.02

B. Wholesale:

Milk bottled

Family milk

Quarts	.02
Pints	.01
1/2 Pints	.00 1/2
Bulk - 8 qt. can	.08

Grade A Milk

Quarts	.02
Pints	.01
1/2 Pints	.00 1/2
Bulk - 8 qt. can	.08

Skimmed Milk and Buttermilk

Quarts	.02
1/2 Pints	.00 1/2
Bulk - per quart	.01

<u>Cream - bottled</u>	<u>Quarts</u>	<u>Pints</u>	<u>1/2 Pints</u>
Light	\$.04	\$.02	\$---
Medium -25%	.04	--	.02
Medium	.04	--	--
Heavy	.04	--	.02
Extra Heavy	.04	--	.02
Sour	.04	.02	.02

Cream - Bulk per 8 quart can

<u>Test</u>	<u>Per Can</u>
16%	\$.16
20%	.16
25%	.16
30%	.16
35%	.16
40%	.16

Cream - Bulk - per 40 quart Can

<u>Test</u>	<u>Price per 40 Qt. Can</u>
40%	None

South Shore territory including all of the towns in Plymouth County and the towns of Hull and Cohasset in Norfolk County. North Shore territory including Beverly, Essex, Gloucester, Hamilton, Manchester, and Wenham. Differential above Boston resale prices.

A. Retail:

Milk - bottled

Family delivered to the consumer by distributor or by store -

Quarts	\$.01
Pints	.01

Family milk from stores on cash and carry basis -

Quarts	.01
Pints	.01

Grade A - delivered to consumer by distributor or by store -

Quarts	.01
Pints	.01

Grade A - from stores on cash and carry basis -

Quarts	.01
Pints	.01

Skimmed milk and buttermilk -

Quarts	.01
--------	-----

Cream-bottled - Delivered to the consumer by distributor or by store.

	<u>Quarts</u>	<u>Pints</u>	<u>1/2 Pints</u>
Light	--	\$.01	\$.01
Medium	--	--	.01
Heavy	--	--	.01
Extra Heavy	.02	--	.01
Sour	.02	.01	.01

Retail Cream - bottled - From stores on Cash and Carry Basis

	<u>Quarts</u>	<u>Pints</u>	<u>1/2 Pints</u>
Light	--	--	--
Medium	--	--	.01
Heavy	--	--	.01
Extra Heavy	--	--	.01
Sour	.02	.01	.01

B. Wholesale:

Milk Bottled

Family milk

Quarts	.01
Pints	.01
1/2 Pints	.00 1/2
Bulk - 8 qt. can	.04

Grade A Milk

Quarts	.01
Pints	.01
1/2 Pints	.00 1/2
Bulk - 8 qt. can	.04

Skimmed Milk and Buttermilk

Quarts	.01
1/2 Pints	.00 1/2
Bulk - per quart	.04

<u>Cream - bottled</u>	<u>Quarts</u>	<u>Pints</u>	<u>1/2 Pints</u>
Light	\$.02	\$.01	\$ --
Medium - 25%	.02	--	.01
Medium	.02	--	--
Heavy	.02	--	.01
Extra Heavy	.02	--	.01
Sour	.02	.01	.01

Cream - Bulk per 8 quart can

<u>Test</u>	<u>Per Can</u>
16%	.12
20%	.12
25%	.12
30%	.12
35%	.12
40%	.12

Cream - Bulk - per 40 quart can

<u>Test</u>	<u>Price Per 40 Qt. Can</u>
40%	None

SCHEDULE F

RULES OF FAIR PRACTICE

For the government of the milk distribution business within the Greater Boston market.

* * * * *

(1) It shall be unfair practice to simulate/^a distinctive feature of a competitor.

(2) It shall be unfair practice to use returnable containers belonging to or marked with the name of a competitor.

(3) It shall be unfair practice to furnish mechanical refrigeration or ice to customers, other than cracked ice on cases.

(4) It shall be unfair practice to make loans to customers, to endorse notes for customers, or to in any manner, directly or indirectly, finance or purchase an interest in a customer's business, or to extend credit beyond the usual terms to which the customer has been entitled.

(5) It shall be unfair practice to use false or misleading or injurious advertising or to spread false or disparaging statements, printed, written, or oral, respecting a competitor's products, business, personal or financial standing.

(6) It shall be unfair practice to furnish milk or cream of higher test than billed to a customer.

(7) It shall be unfair practice to bribe or subsidize employees of others.

(8) It shall be unfair practice to induce or attempt to induce employees to leave the service of a competitor for the purpose or with the intent of securing the trade or customers of such competitor.

(9) It shall be unfair practice to give commissions or other payments to apartment house owners, leasers, managers, real estate agents, etc., provided, however, that where an apartment house manager or janitor shall render service in connection with the delivery of milk or collection of bottles, such janitor or manager may be provided with milk for personal use at not less than the established wholesale bottled milk price.

(10) It shall be unfair practice to give free bottles to stores.

(11) It shall be unfair practice to give away goods or samples in such quantities as to hamper and embarrass competitors or to have the effect of rebates.

(12) It shall be unfair practice to sell one article of merchandise at less than cost and recoup such loss on other articles sold at the same time.

(13) It shall be unfair practice to use any method or device to effect a rebate or discount, whether by discount, rebate, free service or advertising allowance, except for discounts to employees.

(14) It shall be unfair practice for any person to deliver milk or cream to any person who sells the same at less than the established schedule of prices.

(15) It shall be unfair practice to offer any unusual service not customarily offered to all similar customers for the purpose of securing business.

(16) It shall be unfair practice to make untrue statements regarding the matter of pasteurization and butter fat content of milk or cream.

(17) It shall be unfair practice to misrepresent the sources of supply of milk or cream sold by the dealer.

(18) It shall be unfair practice to make claims of certain virtues or benefits as to use of milk or cream which cannot be substantiated.

(19) It shall be unfair practice to extend the cream line by the use of homogenizing or emulsifying the cream or by any other artificial process.

(20) It shall be unfair practice to distribute samples of product of a better grade than the product represented by such samples.

(21) It shall be unfair practice to give or offer to give premiums.

(22) It is to be considered a duty and not an unfair practice or objectional in any sense of the word, for a member to make a report of unethical conduct, unsatisfactory conditions, or illegal practice to the Director in writing and to supply the Director with all the evidence that the report may be substantiated.

(23) It is the duty of all elements in the industry to cooperate with the public health authorities.

(24) Any practice that is deceptive or unfair, that strays from good honest business principles, will be discouraged at all times.

(25) Evidence presented to the Director as to any infraction of these Rules of Fair Practice must be accompanied by adequate proof to support the complaint.

RULES OF FAIR PRACTICES AS BETWEEN CONTRACTING
PRODUCERS AND CONTRACTING DISTRIBUTORS.

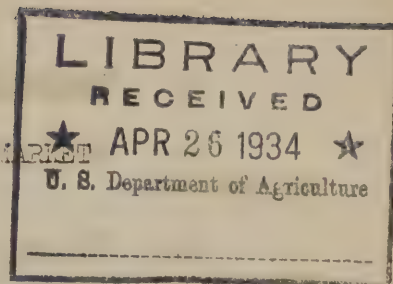
1. Offering bonuses to a competitors producers either in the form of a higher price or change in conditions affecting price for the purpose of unfairly coercing or injuring a competitor. Fair competition is not condemned.

2. Duplicating investment in the producing section where market conditions do not warrant the same and where it is for the purpose of impairing or destroying the value of a competitors investment through division of patronage in said section. 'A' This section applies only as between each Contracting Producer and such Contracting Distributors as purchase from such Contracting Producer.

3. To obtain supplies of milk by making special inducements not warranted by general market conditions.

94
14ma
Boston

MARKETING AGREEMENT FOR MILK - GREATER BOSTON MARKET



I

As used in this Agreement, the following words and phrases shall be defined as follows:

A. "Fluid Milk" means milk, cream or any other of the articles listed in Exhibit E which are sold in the "Greater Boston Market".

B. "Sales Milk" means milk, produced in the "New England Milk Shed", and sold as whole milk (except as certified milk) in the "Greater Boston Market."

C. "Surplus Milk" means all other milk produced in the "New England Milk Shed" purchased by "contracting Distributors" and not sold as whole milk in the "Greater Boston Market".

D. "Contracting Producers" means Consolidated Dairies, Inc. (a non-profit corporation organized and existing under the laws of the State of Vermont) and such producers and associations of producers of Sales Milk and/or surplus milk as may become parties signatory to this Agreement according to the terms thereof, irrespective of whether any such party performs any of the services set forth in paragraph E.

E. "Contracting Distributors" means any of the following persons engaged in the business of handling Fluid Milk who may become parties signatory to this Agreement according to the terms thereof;

(a) Pasteurizers, bottlers or other processors of Fluid Milk.

(b) Persons distributing Fluid Milk at wholesale or retail (1) to hotels, restaurants, stores or other establishments for consumption on the premises, (2) to stores or other establishments for resale, or (3) to consumers, irrespective of whether any such person is also a producer of milk and irrespective of whether the distribution is by wagon or other vehicle or over the counter.

(c) Persons operating stores or other establishments selling Fluid Milk at retail for consumption off the premises.

F. "New England Milk Shed" means the dairy farms of producers of Sales Milk and/or Surplus Milk, lying within the territory described in Exhibit A which is attached hereto and made a part hereof.

G. "Greater Boston Market" means the City of Boston and the other cities and towns listed in Exhibit B which is attached hereto and made a part hereof.

H. "Director" means the Milk Director appointed in the manner and having the duties hereinafter provided.

I. "Board of Arbitration" means the Milk Board of Arbitration appointed in the manner and having the duties hereinafter provided.

J. "Secretary" means the Secretary of Agriculture of the United States.

K. "Act" means the Agricultural Adjustment Act approved May 12, 1933, as amended.

L. "Person" means individual, partnership, corporation, association or any other business unit.

M. "Association of producers" includes corporations and associations.

II

The parties to this Agreement are the Contracting Producers, the Contracting Distributors, and the Secretary.

WHEREAS, pursuant to the Act, the parties hereto, for the purpose of correcting the conditions now obtaining in the marketing of milk in the Greater Boston Market, desire to enter into a marketing agreement under the provisions of Section 8 (2) of the Act; and

WHEREAS, Consolidated Dairies, Inc. markets more than 70% of Sales Milk and Surplus Milk, and represents that it has corporate power and authority to enter into this Agreement; and

WHEREAS, the Contracting Distributors distribute more than 70% of Fluid Milk which Fluid Milk comprises substantially all the Sales Milk and Surplus Milk marketed by Consolidated Dairies, Inc.; and

WHEREAS, the marketing of Sales Milk and Surplus Milk and the distribution of Fluid Milk are in both the current of interstate commerce and the current of intrastate commerce, which are inextricably intermingled,--

III

Now, therefore, the parties hereto agree as follows:

1. The schedule governing the prices at which, and the terms and conditions under which, Sales Milk and/or Surplus Milk, shall be sold by the Contracting Producers and/or purchased by the Contracting Distributors shall be that set forth in Exhibit C, which is attached hereto and made a part hereof. Such schedule may be changed from time to time by the Director, provided that such changes shall become effective only upon the written approval of the Board of Arbitration and of the Secretary, provided, however, that before giving such approval, the Board of Arbitration or the Secretary or both may call a public hearing with respect to such change. Payments to the Director made pursuant to paragraph 6 hereof and Exhibit D; which is attached hereto and made a part hereof, and the payments of the Contracting Producers made pursuant to paragraph 11 (d) hereof and like payments to Consolidated Dairies Inc., and/or New England Milk Producers' Association (a non-profit corporation organized and existing under the laws of the Commonwealth of Massachusetts), made pursuant to membership

agreements, shall, respectively, be deemed part of the prices paid to producers.

2. The plan governing the marketing of milk shall be that set forth in Exhibit D, and each Contracting Producer and Contracting Distributor agrees to abide by the terms thereof. Such plan may be modified by the Director, provided that any such modification shall become effective only upon the written approval of the Board of Arbitration and of the Secretary, provided, however, that before giving any such approval, the Board of Arbitration or the Secretary or both, may call a public hearing with respect to such modification.

3. The Contracting Distributors agree that they will not purchase milk from or distribute milk of any producer or association of producers not a Contracting Producer (except as provided in Exhibit D and except milk sold as certified milk) unless such producer or association of producers agree to participate in the marketing plan set forth in Exhibit D and authorizes such Contracting Distributors to make payment in accordance with such marketing plan.

4. The Contracting Distributors agree that they will purchase all the milk (provided it meets all the health requirements provided for in this Agreement) tendered by all producers within the New England Milk Shed who have established bases.

5. The schedule governing the prices at which, and the terms and conditions under which, Fluid Milk shall be distributed and sold by the Contracting Distributors shall be that set forth in Exhibit E, which is attached hereto and made a part hereof. Such schedule may be changed by the Director, provided that any such changes shall become effective only upon the written approval of the Board of Arbitration and of the Secretary, provided, however, that before giving any such approval, the Board of Arbitration or the Secretary or both may call a public hearing with respect to such change.

6. The Contracting Distributors agree that they will not purchase milk (except milk sold as certified milk) from any individual producer not a member of the New England Milk Producers' Association or not a member of another association of producers approved by the Director, unless such producer authorizes the purchasing Contracting Distributor to pay over to the Director the same amount per cwt. of milk purchased which the members of the New England Milk Producers' Association are then authorizing the Contracting Distributors to pay over to the New England Milk Producers' Association on behalf of its members; and said purchasing Contracting Distributor shall simultaneously with making payment to the individual producer for milk purchased, make payment as aforesaid to the Director. The sums so paid shall be kept as a separate fund by the Director for the purpose of securing to said individual producers not members of any such association, advertising, education, credit loss and other benefits similar to those which are secured by the members of the New England Milk Producers' Association by virtue of their like payments to said Association. The Contracting Producers and the Contracting Distributors undertake that the Director shall disburse such funds for the purpose hereinabove provided and shall keep separate books and records in form satisfactory to the Secretary pertaining to such funds, which said books and records of the Directors shall

be subject to the examination of the Secretary (or his duly designated agent) during the usual hours of business and the Director shall from time to time furnish to the Secretary such information as the Secretary may require.

7. All producers of milk not members of the New England Milk Producers' Association shall be permitted to become members of the New England Milk Producers' Association or any other association of producers which may become party hereto on an equal basis with the existing members similarly circumstanced.

8. (a) The Contracting Producers and the Contracting Distributors shall severally maintain systems of accounting which shall accurately reflect the true account and condition of their respective businesses. Their respective books and records shall, during usual hours of business, be subject to the examination of the Secretary (or his duly authorized representative) to assist him in the furtherance of his duties with respect to this agreement, including verification by the Secretary of the information furnished on the forms hereinafter referred to. The Contracting Producers and the Contracting Distributors shall severally from time to time furnish information to the Secretary on and in accordance with forms to be supplied by him.

(b) The respective books and records of the Contracting Producers and the Contracting Distributors shall, during usual hours of business, be subject to the examination of the Director (or his duly authorized representative) to the extent necessary to permit the Director to obtain the information required by him for the proper performance of his duties hereunder. All information obtained by or furnished to the Director pursuant to the provisions of this Agreement shall remain the confidential information of the Director, except as provided in Exhibit D, and shall not be disclosed by him except to the Secretary or to the Board of Arbitration upon request, and except that the Director shall combine and publish from time to time the information obtained from producers and/or distributors in the form of statistical studies or data pertaining to production, distribution and other marketing conditions in the New England Milk Shed and the Greater Boston Market, and shall upon request furnish to each such producer or distributor a copy of the information obtained from the books of the requesting party.

(c) The Director and the Board of Arbitration shall furnish the Secretary with such information as the Secretary may from time to time request.

(d) All information obtained by or furnished to the Secretary pursuant to the provisions of this Agreement shall remain the confidential information of the Secretary, and shall not be disclosed by him except upon lawful demand made by the President, by either House of the Congress or by any committee thereof, or by any court. The Secretary, however, may combine and publish the information obtained from the Contracting Producers and/or the Contracting Distributors in the form of general statistical studies or data. The Secretary hereby agrees to issue regulations and prescribe penalties to be imposed in the event of any violation of the confidences or trust imposed hereby.

9. The standards governing the production, receiving, transportation, processing, bottling and distribution of Fluid Milk shall be those required by the laws and regulations of the states and the ordinances, rules and regulations of municipalities where it is produced and where it is sold and by such reasonable standards of quality as the particular Contracting Distributor may establish; provided, however, that in case of any dispute arising out of any such determination by a particular Contracting Distributor, a producer shall have the right to appeal to the Secretary in a manner to be determined by the Secretary.

10. The Rules of Fair Practices set forth in Exhibit F, which is attached hereto and made a part hereof, shall be the Rules of Fair Practices for distributors in the Greater Boston Market. Exhibit F may be changed by the Director, provided that any change shall become effective only upon the written approval of the Board of Arbitration and of the Secretary, provided, however, that before giving any such approval, the Board of Arbitration or the Secretary or both may call a public hearing with respect to such change.

11. (a) The Contracting Producers and the Contracting Distributors agree that they will name a person to act as Director during the term of this Agreement. Such designation shall be by (a) Contracting Producers handling at least 80% of milk paid for as Sales Milk and (b) by at least 70% in number of the Contracting Distributors, which Contracting Distributors must handle at least 50% of Sales Milk. Such Director, or any successor, may be removed by a writing or writings delivered to him and signed by Contracting Producers handling at least 80% of milk paid for as Sales Milk and by at least 30% in number of the Contracting Distributors, which Contracting Distributors must handle at least 50% of Sales Milk. In case of any vacancy in the office of Director, a successor shall be appointed by a writing or writings delivered to the Secretary and signed (a) by Contracting Producers handling at least 80% of milk paid for as Sales Milk and (b) by at least 70% in number of the Contracting Distributors, which Contracting Distributors must handle at least 50% of Sales Milk. Any Director, whether appointed by the Contracting Producers and the Contracting Distributors as aforesaid or by the Board of Arbitration as hereinafter provided, shall be a person satisfactory to the Secretary. In case of a vacancy in the office of Director due to any failure to appoint the original or any successor Director as above provided for a period of ten days, the Board of Arbitration shall make such appointment, and in case the Board of Arbitration shall fail to make such appointment within a further period of 10 days, the Secretary may make such appointment. Nothing contained in this Agreement shall, however, be construed to constitute the Director or any person acting under his authority the agent or representative of the Secretary.

(b) Each Contracting Producer and each Contracting Distributor agrees to refer to the Director any disputes whatsoever arising under this Agreement or otherwise in connection with the production and marketing of Sales Milk and/or Surplus Milk and the distribution of Fluid Milk, and, subject to appeal to the Board of Arbitration as hereinafter provided, all action by the Director shall be final and binding upon the Contracting Producers and Contracting Distributors.

(c) The Director shall have power to employ such assistants, clerks and accountants as he may deem necessary in the performance of his duties.

(d) The compensation and disbursements of the Director in an amount not exceeding 2¢ per cwt. of Sales Milk approved by Contracting Producers handling at least 80% of milk paid for as Sales Milk shall be paid monthly, one-half by the Contracting Producers and one-half by the Contracting Distributors pro rata in accordance with the amount of milk paid for as Sales Milk with respect to each Contracting Producer and each Contracting Distributor. The share payable by the Contracting Producers shall be deducted by the Contracting Distributors from the amounts otherwise due to Contracting Producers and the amounts so deducted together with the portion payable by the Contracting Distributors shall be paid to the Director simultaneously with making payment to the producers for milk purchased. The Director shall account semi-annually to the parties hereto for the amounts received by him hereunder.

12.(a) All action by the Director shall be subject to appeal to the Board of Arbitration by any Contracting Producer or any Contracting Distributor.

(b) The Board of Arbitration shall consist of three members; one of whom shall be appointed by the Contracting Producers handling at least 80% of milk paid for as Sales Milk; and one of whom shall be appointed by at least 70% in number of all Contracting Distributors, which Contracting Distributors must handle at least 50% of Sales Milk. The two arbitrators so appointed shall choose a third arbitrator. Alternates who shall serve in the case of the failure or inability of the principal arbitrator to serve, and successor arbitrators and alternates shall be appointed in the same manner as above provided for the appointment of the original principal arbitrators, and arbitrators and alternates, and successors of arbitrators and of alternates may be removed in the same manner in which they were appointed. All appointments shall be in writing or writings delivered to the Secretary and each appointee must meet with the approval of the Secretary. If for any reason a vacancy shall exist in the office of arbitrator for a period of more than ten days, the Secretary may fill such vacancy, but nothing contained in this Agreement shall be construed to constitute the Board of Arbitration or any member thereof the agent or representative of the Secretary.

(c) The decision of a majority of the Board of Arbitration shall be final and conclusive and shall be effective as of the date specified in the Director's decision unless otherwise specified in the award. Pending an award by the Board of Arbitration the operation of the approval, decision, rule, regulation or other action of the Director appealed from, shall be suspended.

(d) The Board of Arbitration shall have power to establish rules governing the taking of appeals and the procedure before the Board, and to allocate costs (including reasonable compensation to the arbitrators, not to exceed \$100 a day each for time actually devoted) among such of the Contracting Producers and the Contracting Distributors as in the judgment of the Board shall be affected by the award, in such manner as the Board shall consider just and equitable, or may order such costs to be paid by

the Director as a part of his disbursements. Each Contracting Producer and each Contracting Distributor will pay to the Director for the account of the Board, all costs so assessed upon each respectively, forthwith upon notice of the amount thereof, and will upon request of the Director pay to him for the account of the Board, his pro rata share (determined on the bases above set forth for determining the payment of the compensation and disbursements of the Director) of a minimum payment of \$25 per month to each of the members of the Board of Arbitration.

13. The Secretary may at any time request an advisory opinion of the Director and/or the Board of Arbitration with respect to matters in connection with this Agreement; the costs of any such opinions to be paid by the Director as a part of his disbursements.

14. This Agreement shall become effective at such time as the Secretary may declare above his signature attached hereto, and this Agreement shall continue in force until the last day of the month following the aforesaid effective date, and thereafter from month to month, except that:

(a) The Secretary may (and shall upon the written request of either (1) Contracting Producers handling at least 80% of milk paid for as Sales Milk or (2) 70% in number of the Contracting Distributors which Contracting Distributors must handle at least 50% of Sales Milk, or (3) five or more Contracting Distributors handling at least 60% of Sales Milk) by press release or other notice as the Secretary may determine, given on or before the 20th day of any month, terminate this Agreement as of the end of such month.

(b) The Secretary may for good cause shown, as of the end of any month, terminate this Agreement as to any party signatory hereto by notice in writing deposited on or before the 20th of said month in the registered mails and addressed to such party at the address of such party on file with the Secretary.

(c) This Agreement shall in any event terminate whenever the President or Congress shall terminate those provisions of the Act which authorize this Agreement.

15. The benefits, privileges and immunities conferred by virtue of this Agreement shall cease upon its termination except with respect to acts done prior thereto, and the benefits, privileges and immunities conferred by virtue of this Agreement upon any party signatory hereto shall cease upon its termination as to such party except with respect to acts done prior thereto.

16. This Agreement may be executed in multiple counterparts, which when signed by the Secretary, shall constitute taken together, one and the same instrument as if all such signatures were contained in one original.

17. After this Agreement first takes effect any producer or association of producers of Sales Milk and/or Surplus Milk, or any distributor of Fluid Milk, may become a party to this Agreement if a counterpart thereof is executed by him and by the Secretary. The Agreement shall take effect as to such producer or distributor at such time as the Secretary may declare above his signature attached to such counterpart, and the benefits, privileges, and immunities conferred by this Agreement shall then be effective as to such producer or distributor.

18. The Contracting Distributors hereby apply for and consent to licensing by the Secretary, subject to Milk Regulations, Agricultural Adjustment Administration, Series 1, prescribed by the Secretary and approved by the President and subject to terms and conditions not inconsistent with the purpose and effect of this Agreement, and not otherwise.

19. Nothing herein contained shall be construed in derogation of the rights of the Secretary to exercise any powers granted him by the Act, and, in accordance with such powers, to act in the premises whenever he shall deem it advisable.

IV

IN WITNESS WHEREOF the Contracting Producers and the Contracting Distributors, acting under the provisions of the Agricultural Adjustment Act, for the purposes and within the limitations herein contained, and not otherwise, have hereunto set their respective hands and seals.

WHEREAS, it is provided by Section 8 of the Act as follows:

"Section 8. In order to effectuate the declared policy, the Secretary of Agriculture shall have power--

"(2) To enter into marketing agreements with processors, associations of producers, and others engaged in the handling, in the current of interstate or foreign commerce of any agricultural commodity or product thereof, after due notice and opportunity for hearing to interested parties. The making of any such agreement shall not be held to be in violation of any of the anti-trust laws of the United States, and any such agreement shall be deemed to be lawful; PROVIDED, that no such agreement shall remain in force after the termination of the Act".

WHEREAS, due notice and opportunity for hearing to interested parties has been given pursuant to provisions of the Act, and the regulations issued thereunder; and

WHEREAS, it appears after due consideration that this is a marketing agreement between the Secretary and persons engaged in the handling of milk and its products within the meaning of said section in the current of interstate commerce; and

Attest, Orison M. Sherbino
Clerk

Consolidated Dairies, Inc., by Earnest H.
Bancroft, president, Wendell P. Davis,
Treasurer

Witness, Reuben Hall

Theodore Chamberlin Baue L. Cummings

Witness, Reuben Hall

J. F. McAdams and Bros., Inc. by J. F.
McAdams, Treasurer

Witness, Reuben Hall

Findeisin Farms, Inc., by H. P. Findeisen,
Treasurer

Witness, Reuben Hall

Seymour Dairy Products, by Thomas Seymour
David Buttrick Co., by D. H. Buttrick,
President

Witness, Reuben Hall

Whiting Milk Company, by Joseph Willman,
Director

Witness, W. P. Davis

Jos. L. Griffin

Witness, W. P. Davis

William T. Jones Co., by B. T. Jones

Witness, W. P. Davis

H. P. Hood and Sons, Inc., by Gilbert
H. Hood, Jr., Secretary

Witness, W. P. Davis

White Brothers Milk Company, Inc., by
Allen R. White, Treasurer

WHEREAS, it appears after due consideration that the aforesaid marketing agreement will tend to effectuate the policy of Congress set forth in section 2 of the Act in that such marketing agreement will,

(a) establish and maintain such balance between the production of milk in the New England Milk Shed and consumption of such milk and its products in the Greater Boston Market, and such marketing conditions therefor as will reestablish prices to the producers thereof at a level that will give such agricultural commodity a purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of such agricultural commodity in the base period as defined in Section 2 of the Act; and

(b) approach such equality of purchasing power by gradual correction of the present inequalities therein at as rapid a rate as is possible in view of the current consumptive demand in domestic and foreign markets; and

(c) protect the consumer's interest by retaining the production of such agricultural commodity at such level as will not increase the percentage of the consumer's retail cost for such agricultural commodity or products derived therefrom which is returned to the farmer above the percentage which was returned to the farmer in the prewar period August 1909-July 1914; and

WHEREAS, I herewith give notice that

(1) The terms and conditions of this Agreement are agreed to as reasonable only in the light of conditions now prevailing in the New England Milk Shed and are not to be recorded as a precedent for marketing agreements for other milk sheds or for future marketing agreements for the New England Milk Shed; and

(2) The Secretary reserves the privilege of approving a blanket marketing agreement, pursuant to Section 3 (2) of the Act, for all milk sheds, which blanket marketing agreement may make specific modifications for any particular designated milk shed to conform to the conditions then prevailing in such specific milk shed.

NOW, THEREFORE, I, Henry A. Wallace, Secretary of Agriculture acting under provisions of the Agricultural Adjustment Act, for the purposes and within the limitations therein contained, and not otherwise, do hereby execute this Agreement under my hand and the official seal of the Department of Agriculture in the City of Washington, District of Columbia, on this 30th day of October, 1933; and, pursuant to the provisions hereof, I declare this Agreement to be effective on and after 12:01 A.M. Eastern Standard Time, November 3, 1933.

(S) H. A. WALLACE
Secretary of Agriculture

EXHIBIT ANEW ENGLAND MILK SHED PRODUCTION AREA

1. Farms of all producers of Sales Milk and Surplus Milk, which farms have been inspected by any municipality in Massachusetts, New Hampshire and Maine, or by the State of Massachusetts, and which are located in the following states, counties and towns:

Vermont:

Chittenden County: The following towns: Milton, Westford, Underhill, Colchester, Essex, Jericho, Bolton, Burlington, South Burlington, Williston, Richmond and Huntington, and farms supplying the plants of the Shelburne Cooperative Creamery, Inc., of Shelburne, Vermont.

Rutland County: Towns: Shrewsbury, Mt. Holly, Wallingford and Clarendon.

The following counties (all towns):

Caledonia	Orange
Essex	Orleans
Franklin	Washington
Grand Isle	Windham
Lamoille	Windsor

The following farms in Vermont are to be excluded:

Farms supplying the plants of the Mt. Mansfield Cooperative Creamery and Grain Association, Inc., of Stowe, Vermont.

Maine:

All counties except Aroostock, Hancock and Washington.

New Hampshire:

Entire state.

Massachusetts:

Entire state except the following towns: Sheffield, New Marlborough, Mt. Washington and Egremont.

2. And the following farms:

- (a) In Connecticut shipping to Massachusetts cities and towns.
- (b) In New York State supplying Pittsfield, Mass., viz: Steventown, N.Y.
- (c) Farms supplying Iroquois Creamery Company, Inc., Iroquois, N.Y.
- (d) Farms supplying Dickenson Creamery, Shoreham, Vermont.
- (e) Farms supplying United Dairy System plant, Hoosick, N.Y.
- (f) Farms supplying receiving stations at Eagle Bridge and Salem, N.Y., now shipping to the Greater Boston Market.

EXHIBIT B"GREATER BOSTON MARKET" - DEFINITION

"Greater Boston Market" means and includes:

- District 1 The City of Boston, and the cities and towns of Danvers, Beverly except Prides Crossing and Beverly Farms, Peabody, Salem, Marblehead, Winthrop, Swampscott, Lynn, Lynnfield, Saugus, Nahant, Reading, Wakefield, Woburn, Stoneham, Melrose, Medford, Malden, Revere, Everett, Chelsea, Wilmington, Burlington, Bedford, Concord, Lincoln, Lexington, Winchester, Arlington, Somerville, Cambridge, Belmont, Watertown, Newton, Waltham, Sudbury, Wayland, Weston, Framingham, Natick, Wellesley, Dover, Needham, Brookline, Dedham, Westwood, Norwood, Walpole, Foxborough, Sharon, Canton, Stoughton, Milton, Quincy, Avon, Randolph, Holbrook, Braintree, Weymouth and Hingham.
- District 2 (North and South Shores.) The towns of Rockport, Gloucester, Essex, Manchester, Hamilton, Wareham, that portion of Beverly not included in District 1, Abington, Rockland, Hull, Cohasset, Scituate, Hanover, Norwell, Marshfield, Pembroke, Duxbury, Kingstons, Plimpton, Plymouth and Carver.
- District 3 (Cape Code.) The town of Wareham, and all towns in Barnstable, Dukes and Nantucket Counties.

EXHIBIT CPRICES TO BE PAID PRODUCERS

The words "producers" and "distributors" mean Contracting Producers and Contracting Distributors, respectively, as defined in the Agreement.

Distributors shall account to producers of Sales Milk and Surplus Milk, subject to the provisions of Exhibit D, as follows:

A. Sales Milk - Raw.

1. Where milk passes through a country receiving station the following shall be the prices paid by distributors to producers based on receipt of milk at the country receiving station receiving room door in the zone 191-200 miles (as defined by the Interstate Commerce Commission) from the market:

Sales Milk - Family \$2.3122 per cwt.

Bonus for Sales Milk bought as Grade A testing when delivered not less than 3.4% butterfat: add to the price of Sales Milk - Family, at least the following amounts per cwt. based on bacterial count as determined by the average of not less than four plate counts a month using the American Public Health Association Standard Methods:

<u>Bacterial Count</u>	<u>June & Sept.</u>	<u>July & Aug.</u>	<u>Oct. 1 to June 1</u>
10,000 and less per c.c.	40¢	50¢	30¢
Above 10,000 and not exceeding 25,000	35¢	40¢	23¢
Above 25,000 and not exceeding 50,000, as may be agreed upon between the producer and distributor.			

Bonus for Sales Milk Bought as Special Brands: add to the price of Sales Milk - Family, such amount as may be agreed upon between the producer and the distributor to whom such milk is delivered.

The foregoing prices shall be adjusted to reflect different points of receipt and various services rendered as follows:

(a) Where the shipment originates in a zone other than the 191-200 mile zone the price shall be decreased or increased by the amount by which the L.C.L. passenger railroad tariff for 40 qt. cans adjusted to a per cwt. basis for the zone of shipment exceeds or is less than such tariff so adjusted for the 191-200 mile zone.

(b) Where the distributor receives the milk at the country receiving station shipping room door or at any subsequent point of receipt, there shall be added to the price a country station charge of \$.23 1/4 per cwt. for Sales Milk - Family and an additional \$.23 1/4 per cwt. for Grade A Milk.

(c) Where the distributor shall not furnish containers from the country receiving station to the distributor's city plant, the price shall be increased by \$.03 per cwt.

(d) Where the distributor trucks the milk from a country receiving station located more than one mile from the nearest railroad loading point to such point, the price shall be decreased by the actual reasonable cost of such trucking.

(e) Where the distributor does not operate the country receiving station and the country receiving station ices and loads cars or trucks, there shall be added to the price \$.03 per cwt.

(f) Where the distributor receives his milk at the railroad platform in the Greater Boston Market (instead of the adjustment under (a) above), there shall be added to the price the CL passenger railroad tariff for 40 qt. cans (adjusted to a cwt. basis) for the zone of shipment in cases where the shipment is in carload lots and the LCL passenger railroad tariff for 40 qt. cans (similarly adjusted) for the zone of shipment where the shipment is in less than carload lots. A shipment will be considered CL even if distributors have combined shipments for the purpose of obtaining the CL rate.

(g) Where the distributor receives his milk at his city plant, there shall be added to the price the actual reasonable cost of trucking from the railroad platform in the city in the case of rail shipments, and the actual reasonable cost of trucking from the country receiving station in the case of trucked shipments.

2. Where milk does not pass through a country receiving station but is trucked directly from the farm to distributor's city plant, the following shall be the prices paid by distributors to producers:

Sales Milk - Family \$3.0225 per cwt.

Bonus for Sales Milk bought as Grade A. The terms, conditions and amounts shall be the same as provided in paragraph 1 of subdivision A hereof.

Bonus for Sales Milk Bought as Special Brands: Add to the price of Sales Milk - Family, such amount as may be agreed upon between the producer and the distributor to whom such milk is delivered.

The foregoing prices shall be adjusted to reflect service rendered by decreasing the price by \$.10 per cwt. for weighing and testing.

3. Prices under both paragraphs 1 and 2 above shall be subject to the following additional adjustments:

(a) Where the distributor furnishes containers from the Producer's farm to the receiving station of the distributor either in the country or in the city, the price shall be decreased by \$.0075 per cwt.

(b) Where the distributor trucks the milk from the producer's farm to the country receiving station or the city plant, the price shall be decreased by the actual reasonable cost of such trucking, not to exceed the reasonable cost of shipment by railroad under LCL passenger tariff for 40 qt. cans, plus the actual reasonable cost of local trucking, if any connected with railroad shipment.

(c) The foregoing prices are based upon milk testing 3.7% butterfat, and shall be subject to a differential for each 1/10 of 1% butterfat above or below 3.7% equal to 1/10 of the average of the daily quotations issued by the U.S.D.A. Bureau of Agricultural Economics for 92 score fresh butter at Boston for the accounting period in which said milk is purchased.

B. Surplus Milk.

The price per cwt. for Surplus Milk shall be determined f.o.b. point of initial receipt from the producer in accordance with the following formula: Take for the accounting period during which Surplus Milk is received, the average of the daily quotations issued by the U.S.D.A. Bureau of Agricultural Economics for 92 score fresh butter at Boston plus 20% (which shall be the butterfat value per pound of butterfat), and then multiply the butterfat value per pound of butterfat thus obtained by 3.7.

1. The above price is based on milk containing 3.7% butterfat subject to a differential for each 1/10 of 1% butterfat above or below 3.7% butterfat equal to 1/10 of the average of the daily quotations issued by the U.S.D.A. Bureau of Agricultural Economics for 92 score fresh butter at Boston for the accounting period in which said milk is purchased.

2. In case the distributor trucks the milk from the producer's farm to the country receiving station or the city plant, the price shall be decreased by the actual reasonable cost of such trucking, not to exceed the reasonable cost of shipment by railroad under LCL passenger tariff for 40 qt. cans, plus the actual reasonable cost of local trucking, if any, connected with railroad shipment.

3. In case Surplus Milk is converted into cream and sold as such by producers, the price for the same shall be determined by adding to the butterfat value per pound of butterfat as obtained above, a conversion cost of 7 cents per pound and the resulting figure shall be multiplied by the number of pounds of butterfat contained in the can and there shall be added thereto container service and actual reasonable cost of transportation to the Greater Boston Market from the point of shipment, as provided in sub-paragraphs (c), (e), (f) and (g) of paragraph 1 of subdivision A hereof.

C. Skimmed Milk as Such.

The price of skimmed milk as such shall be \$1.06 per cwt. f.o.b. railroad platform in the Greater Boston Market.

D. Miscellaneous Provisions.

For the purpose of this Exhibit and Exhibit D:

(a) The weight of a quart of milk shall be taken as 2.15 pounds, and 100 pounds of milk shall be taken to consist of 46 1/2 quarts.

(b) The milk contained in a "40 qt. can" of milk filled to the neck shall be deemed to weigh 85 pounds and the can to contain 39 1/2 quarts.

(c) The cream contained in a "40 qt. can" of forty per cent butterfat cream filled to the neck shall be deemed to weigh 82.5 pounds and the can to contain 33 pounds of butterfat.

(d) "Milk" shall be all milk or cream containing not exceeding six per cent butterfat.

(e) "Cream" shall be all milk or cream containing more than six per cent butterfat.

(f) Milk shall be classified as to its recognized grade when first received by the distributor and shall be paid for accordingly.

EXHIBIT DMARKETING PLANBase Rating Plan and Method of Payment to Producers

In order to allocate equitably among producers in the New England Milk Shed the proceeds of the sale of milk as whole milk, each producer in the New England Milk Shed whose milk is delivered either to and/or for the Greater Boston Market shall be given a base by the Director as hereinafter provided. Milk shall be deemed to be delivered for the Greater Boston Market if delivered to a plant within the geographical limits of the New England Milk Shed which ships any Fluid Milk to the Greater Boston Market.

"Class I Milk": means the milk of the foregoing producers sold as Sales Milk and milk of such producers which is sold as whole milk outside the Greater Boston Market.

"Class II Milk": means all other milk delivered by the foregoing producers.

The words "producers" and "distributors" as used in this Exhibit mean both Contracting Producers and Contracting Distributors, respectively, as defined in the Marketing Agreement and also Producers and Distributors, respectively, as defined in the License issued by the Secretary of even date with the Marketing Agreement.

The "base period" shall be September, October and November, 1932.

A. Base Rating Plan for Individual Producers.

1. Special Bases. Bases for the following producers shall be established in the following manner:

(a) Each producer of Class I Milk and/or Class II Milk which on September 1, 1933, is being trucked directly from the farm to the distributor's city plant in, or is distributed directly from the producer's farm by the producer in, the Greater Boston Market shall receive a base equal to his established base on that date, as shown by the records of the distributor purchasing the milk of such producer; or, if he has no such base, then a base equal to 90% of his average daily deliveries of such milk during the base period, or any part thereof; or, if he was not delivering milk during any part of the base period, then a base equal to 90% of his average daily deliveries of milk for the first 90 days of his deliveries or such part thereof as shall have elapsed on September 1, 1933.

(b) Each producer who is delivering Class I Milk and/or Class II Milk on September 1, 1933 under a base rating plan in effect since prior to September 1, 1931, shall receive a base equal to his established base as of September 1, 1933, as shown by the records of the distributor purchasing the milk of such producer.

(c) Producers of Golden Guernsey milk licensed as such by the American Guernsey Cattle Club as of September 1, 1933, shall receive a base equal to the average daily sales of this milk to the Greater Boston Market as Grade A or under the trade name of "Golden Guernsey" during the base period. The foregoing base shall apply to the above Golden Guernsey producers as a group and shall be allocated to each such individual producer on an equitable basis by the American Guernsey Cattle Club, subject to the approval of the Director.

2. General Bases: The base for each producer other than those mentioned in paragraph 1 of this subdivision delivering milk during the base period or any part thereof and delivering Class I Milk and/or Class II Milk on September 1, 1933, shall be determined by apply to his average daily deliveries of milk during the base period (or such part thereof during which he may have delivered milk) the percentage which the average daily total sales of Class I Milk during the base period (less the bases of producers mentioned in paragraph 1 of this subdivision) is of the average daily total deliveries of Class I Milk and Class II Milk by all producers (less the total of such deliveries by producers mentioned in paragraph 1 of this subdivision) during the base period.

3. Cream Producers: Producers delivering milk and/or cream during the base period or any part thereof but delivering only cream on September 1, 1933 shall receive no base unless and until such producers qualify for the delivery of, and deliver daily, Class I Milk and/or Class II Milk (even though such milk shall after delivery to the receiving station be converted into cream); in which event the bases of such producers shall be determined as follows:

(a) If the producer delivered only milk during the base period or any part thereof he shall receive the same base for the balance of 1933 and for the year 1934 as if he had delivered Class I Milk and/or Class II Milk on September 1, 1933; or

(b) If the producer delivered only cream during the base period or any part thereof he shall receive the same base for the balance of 1933 and for the year 1934 as if he had delivered during the base period the milk equivalent of the cream delivered by him during the base period and as if he had delivered Class I Milk and/or Class II Milk on September 1, 1933. The milk equivalent shall be obtained by converting the average daily deliveries of pounds of butterfat into their milk equivalent on a 3.7% basis; or

(c) If the producer delivered milk and cream during the base period, or any part thereof, he shall receive a combined base equal to the sum of the base for his milk delivered determined under (a) above and a base for his cream delivered determined under (b) above.

4. New producers between November 30, 1932 and September 1, 1933: Producers delivering Class I Milk and/or Class II Milk on September 1, 1933 and who did not deliver any milk and/or cream during the base period or any part thereof shall be given a base equal to 60% of their average daily deliveries of Class I Milk and/or Class II Milk during the first ninety days of such deliveries or such part thereof as shall have elapsed on September 1, 1933.

5. Other Producers: Producers not provided for above (or who have lost their bases as provided in this Exhibit) who desire to deliver Class I Milk and/or Class II Milk will be allowed to establish a base, as hereinafter provided, only if such producer first obtains a certificate of necessity from the Director entitling him to a base and to sell milk pursuant to the same, by making due written application to the Director upon forms supplied by the Director. In the event that any such producer is denied a certificate of necessity after having made such written application to the Director, he shall have the right of immediate appeal to the Secretary in a manner to be determined by the Secretary. In the event that a certificate of necessity is issued to such producer his established base shall be not less than 50% of his average daily deliveries of Class I Milk and/or Class II Milk during the first ninety days of such deliveries.

6. Shifting from milk to cream: Producers who transfer from delivering Class I Milk and/or Class II Milk to delivering any cream after September 1, 1933 shall lose their base.

7. Loss of Bases: The base shall go with the farm except when the herd of cows is moved en bloc by the same owner to a new farm. A producer from whose farm Class I Milk and/or Class II Milk has not been delivered (except as provided in paragraph 10 of this subdivision) for a period of ninety days from the date of last delivery shall thereupon lose his base.

8. Transfer of bases: Bases shall not be bought, sold or transferred except as herein provided. There can be only one base for a farm. A producer changing from one distributor to another shall receive the same base with the new distributor as he had with the old distributor.

9. Penalty for delivering under bases: Producers delivering less than 75% of their base for four consecutive pay periods (two months) shall establish a new base equal to the average of such deliveries during such periods.

10. Effect of fire, etc.: The base shall remain in effect for a period of six months following the initial test for tuberculosis, the loss of barn or herd or both by fire, or the loss of herd by lightning. The base shall also be retained for a period of forty-five days in case a Board of Health shall shut off or exclude the farm; and in case of quarantine, for the period of quarantine.

11. 1934 Base: Except as provided in paragraph 3 of this subdivision, 1934 bases shall be the average of the September, October and November, 1933 deliveries of Class I Milk and/or Class II Milk up to the 1933 base. If sales of Class I Milk for that period shall exceed the aggregate of the 1934 bases so established, such excess sales shall be allocated among producers in such amount and manner as the Director shall determine to be equitable.

B. Association Bases and Transfer of Milk:

1. Association bases: The base of any association of producers for each accounting period shall be the sum of the deliveries of base milk by the individual producers who during such accounting period are marketing their milk through such association.

2. Transfer of Milk: Milk must not be transferred between producers and/or associations of producers for the purpose of taking advantage of favorable or unfavorable base positions. If milk which participates in the allotment of the sales of Class I Milk shall be transferred between associations it shall take with it its proportionate share of the base of the transferer.

C. Information to the Director.

The Director, or his duly authorized representative, shall during the usual hours of business have access to the respective books and records of distributors, producers and associations of producers to the extent necessary to permit him to obtain the information required by him for the establishment of bases, the computation of payments and the performance of the other duties required of him by this Exhibit. Information so obtained by the Director shall remain the confidential information of the Director and shall not be disclosed by him except as may be necessary for the proper performance of his duties hereunder, and except as provided in paragraphs 3(b) and 3(c) of the Marketing Agreement.

D. Method of Payment to Producers.

1. Payment for Class I Milk and Class II Milk by distributors shall be made for pay periods ending on the 15th and last days of each month and shall be made not later than thirty days after the close of each period.

2. Surplus Milk sold as whole milk in any market other than the Greater Boston Market, shall be paid for by the purchasing distributor at such price (which shall be at least equal to the price for Surplus Milk) as the Director shall approve with a view to competitive conditions in such market.

3. The Director shall for each pay period compute the amount of the payments for Class I Milk and Class II Milk due from each distributor to his producers (or association of producers in so far as the distributor shall make payment to such association) in accordance with the principles set forth in this Exhibit.

4. Such computation shall be made in the following manner:

(a) To the extent that sales of Class I Milk do not exceed total deliveries of base milk, the established price to producers for such sales (with the adjustments required by Exhibit C) shall (except as below provided) be divided pro rata among producers and associations of producers in accordance with their deliveries of base milk.

(b) To the extent that sales of Class I Milk exceed total deliveries of base milk, the established price to producers for such excess sales (with the adjustments required by Exhibit C) shall (except as below provided)

be divided pro rata in accordance with the excess deliveries of Class I Milk and/ or Surplus Milk by each producer and association of producers above their respective bases.

(c) The balance of deliveries of Class I Milk and/ or Class II Milk shall (except as below provided) be paid for as Surplus Milk.

(d) Deliveries of base milk of Golden Guernsey producers with bases established as above provided, shall be deducted from sales of Class I Milk before making the above computations, and such producers shall receive the Sales Milk price for such deliveries, all irrespective of the amount of sales of such milk of Golden Guernsey producers. Any excess sales as whole milk in the Greater Boston Market of such milk of such producers over and above such bases shall not be deducted from the sales of Class I Milk before making the above computations, but such producers shall receive therefor only the Surplus Milk price. Payments shall be made to or by the Director insofar as necessary to carry out the provisions of this subparagraph.

(e) Milk purchased at not less than the established price for Sales Milk - Family, for distribution as Class I Milk in time of shortage, from producers not having established bases hereunder may, with the approval of the Director, be deducted from sales of Class I Milk before making the above computation, irrespective of whether or not such milk was sold as Class I Milk. Payment for such milk shall also be excluded from the above computations and be made directly by the purchasing distributor to such producers.

(f) Insofar as producers shall sell Sales Milk and/ or Surplus Milk (1) other than to distributors or (2) as to sales to distributors, other than in its raw state in bulk, they shall make such sales as distributors and at not less than the price for the grade of milk and type of sale in question set forth in Exhibit E, but such producers shall, if an association of producers, account to its individual producers for such Sales Milk and/ or Surplus Milk as raw milk in bulk (as distinguished from any return to producers resulting from any processing and/ or distribution thereof), in accordance with the terms and conditions set forth in this Exhibit:

(g) (1) premiums or discounts for butterfat differentials, and (2) bonuses for Grade A Milk, Special brands and other Class I Milk, over and above the established price to producers for 3.7% Sales Milk - Family or over and above the price required by paragraph 2 of this subdivision, shall not be included in the above computations, and shall be paid by the distributor directly to his producers or association of producers at the time of making payment to them as aforesaid.

(h) In announcing the results of these computations the Director shall announce for each railroad transportation zone (1) a price per cwt. for base milk f.o.b. any and all points within each such zone and (2) a single price per cwt. for all Class I Milk and/ or Class II Milk delivered in excess of base f.o.b. any and all points within each such zone.

Exhibit D (continued)

5. The Director shall communicate the result of such computations to each distributor in sufficient time for such distributor to make payment as provided in paragraph 1 of this subdivision, and such distributor shall make payment to his producers and/or associations of producers in accordance with the amounts communicated to him by the Director as aforesaid less authorized deductions.

(a) In case the aforesaid payments by any distributor shall be less than the total payments due by such distributor for Class I Milk and Class II Milk handled by him, the Director shall compute the difference, making due allowance for services rendered by the distributor in accordance with Exhibit C, and shall notify the distributor of the amount of such difference at the same time as he shall notify the distributor of the aforesaid payments to producers or associations of producers. The distributor shall forthwith upon receipt of notification of the amount of such difference pay the same to the Director.

(b) In case the aforesaid payments by any distributor shall be greater than the total payment due by such distributor for Class I Milk and Class II Milk handled by him, the Director shall compute the excess, making due allowance for services rendered by the distributor in accordance with Exhibit C, and shall notify the distributor of the amount of such excess at the same time as he shall notify the distributor of the aforesaid payments to producers or associations of producers. The Director shall, as soon as reasonably practicable, distribute among such distributors the payments received by the Director under the preceding paragraph pro rata in accordance with the amount of such excesses computed by him as aforesaid.

6. In cases where payments are made by distributors to any association of producers, such association shall (after deducting such expenses, if any, as the association shall determine) allocate the balance of such payments among their individual producers in accordance with the deliveries of base milk by such producers and in all other respects in accordance with the principles and in the manner set forth in this Exhibit.

EXHIBIT ESCHEDULE FOR CONTRACTING DISTRIBUTOR'S SALESPrices, Terms and Conditions

Sales of the following articles in the Greater Boston Market by Contracting Distributors shall be made as follows:

(1) Wholesale Sales - Delivered to Vendee's Premises at the prices set forth in Schedule I of this Exhibit E.

(2) Wholesale Sales - At Processor's Platform at the prices set forth in Schedule II of this Exhibit E.

(3) Retail Sales at not less than the prices set forth in Schedule III of this Exhibit E, but at not more than the prices set forth in Schedule IV of this Exhibit E.

(4) Sales in containers shall be made only in containers of the sizes and types specified.

(5) Where a percentage of butterfat content is specified, only at the percentage or within the percentages so specified.

(6) Sales to any public unemployment relief agency may be made at less than the following prices.

I - Wholesale Price Schedule - Delivered to Vendee's Premises

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
1. Family Milk			
Per 40 quart can	\$3.50	-	-
Per 8 quart can	.74	.73	.82
Per quart bottle	.0975	.1075	.1175
Per pint bottle	.0575	.0675	.0675
Per half pint bottle	.035	.04	.04
2. Grade A			
Per 40 quart can	\$4.30	-	-
Per 8 quart can	.90	.94	.98
Per quart bottle	.1275	.1375	.1475
Per pint bottle	.0875	.0975	.0975
Per half pint bottle	.05	.055	.055
3. Buttermilk			
Per 40 quart can	\$1.80	\$2.00	\$2.20
Per 8 quart can	.36	.40	.44
Per quart bottle	.075	.085	.095
Per pint bottle	-	-	-
Per half pint bottle	.035	.04	.04
4. Skimmed milk			
Per 40 quart can	\$1.40	\$1.60	\$1.80
Per 8 quart can	.28	.32	.36

Exhibit E (continued)

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
5. Cream			
16% butterfat			
Per 8 quart can	\$2.00	\$2.12	\$2.16
18-20% butterfat - Light			
Per 8 quart can	2.40	2.52	2.56
Per quart bottle	.34	.36	.38
Per pint bottle	.18	.19	.20
25-27% butterfat - Medium			
Per 8 quart can	2.80	2.92	2.96
Per quart bottle	.40	.42	.44
Per half pint bottle	.12	.13	.14
29-31% butterfat			
Per 8 quart can	3.30	3.42	3.46
Per quart bottle	.45	.47	.49
34-35% butterfat - Heavy			
Per 8 quart can	3.75	3.87	3.91
Per quart bottle	.50	.52	.54
Per half pint bottle	.15	.16	.17
38-40% butterfat - Extra Heavy			
Per 40 quart can	17.00	-	-
Per 8 quart can	4.25	4.37	4.41
Per quart bottle	.60	.62	.64
Per half pint bottle	.17	.18	.19
Sour (20-22% butterfat)			
Per quart bottle	.34	.36	.38
Per pint bottle	.18	.19	.20
Per half pint bottle	.10	.11	.12

II - Wholesale Price Schedule - At Processor's Platform

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
6. Family Milk			
Per 40 quart can	\$3.20	\$ -	\$ -
Per 8 quart can	.66	.70	.74
Per quart bottle	.0875	.0975	.1075
Per pint bottle	.05	.0675	.0675
Per half pint bottle	.03	.035	.035
7. Grade A			
Per 40 quart can	\$4.00	\$ -	\$ -
Per 8 quart can	.82	.88	.92
Per quart bottle	.1175	.1275	.1375
Per pint bottle	.08	.09	.09
Per half pint bottle	.045	.05	.05
8. Buttermilk			
Per 40 quart can	\$1.40	\$1.60	\$1.80
Per 8 quart can	.28	.32	.36
Per quart bottle	.065	.075	.085
Per half pint bottle	.03	.035	.035

Exhibit E (continued)

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
9. Skimmed Milk			
Per 40 quart can	\$1.00	\$1.20	\$1.60
Per 8 quart can	.20	.24	.38
10. Cream			
16% butterfat			
Per 8 quart can	\$1.90	\$2.02	\$2.06
18-20% butterfat - Light			
Per 8 quart can	2.30	2.42	2.46
Per quart bottle	.31	.33	.35
Per pint bottle	.16	.17	.18
25-27% butterfat - Medium			
Per 8 quart can	2.70	2.82	2.86
Per quart bottle	.37	.39	.41
Per half pint bottle	.11	.12	.13
29-31% butterfat			
Per 8 quart can	3.20	3.32	3.36
Per quart bottle	.42	.44	.46
34-35% butterfat - Heavy			
Per 8 quart can	3.65	3.77	3.81
Per quart bottle	.47	.49	.51
Per half pint bottle	.14	.15	.17
38-40% butterfat - Extra Heavy			
Per 40 quart can	16.50	-	-
Per 8 quart can	4.15	4.27	4.31
Per quart bottle	.57	.59	.61
Per half pint bottle	.16	.17	.18
Sour (20-22% butterfat)			
Per quart bottle	.31	.33	.35
Per pint bottle	.16	.17	.18
Per half pint bottle	.09	.10	.11

III - Retail Price Schedule Minimum

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
11. Family Milk			
Per quart bottle	\$.11	\$.12	\$.13
Per pint bottle	.07	.03	.03
12. Grade A			
Per quart bottle	.14	.15	.16
Per pint bottle	.09	.10	.10
13. Buttermilk			
Per quart bottle	.03	.09	.10
14. Cream			
18-20% butterfat - Light			
Per pint bottle	.19	.20	.21
Per half pint bottle	.11	.12	.13

Exhibit E (continued)

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
Cream (continued)			
25-27% butterfat - Medium			
Per half pint bottle	\$.14	\$.14	\$.16
34-35% butterfat - Heavy			
Per half pint bottle	.17	.18	.19
33-40% butterfat - Extra Heavy			
Per quart bottle	.63	.70	.72
Per half pint bottle	.19	.20	.21
20-22% butterfat - Sour			
Per quart bottle	.36	.38	.40
Per pint bottle	.19	.20	.21
Per half pint bottle	.11	.12	.13

IV - Retail Price Schedule - Maximum

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
15. Family Milk			
Per quart bottle	\$.12	\$.13	\$.14
Per pint bottle	.075	.035	.035
16. Grade A			
Per quart bottle	.15	.16	.17
Per pint bottle	.10	.11	.11
17. Buttermilk			
Per quart bottle	.09	.10	.11
18. Cream			
13-20% butterfat - Light			
Per pint bottle	.20	.21	.22
Per half pint bottle	.12	.13	.14
25-27% butterfat - Medium			
Per half pint bottle	.15	.16	.17
34-35% butterfat - Heavy			
Per half pint bottle	.13	.19	.20
33-40% butterfat - Extra Heavy			
Per quart bottle	.70	.72	.74
Per half pint bottle	.20	.21	.22
Sour			
20-22% butterfat			
Per quart bottle	.33	.40	.42
Per pint bottle	.20	.21	.22
Per half pint bottle	.12	.13	.14

V - Miscellaneous Terms and Conditions.

1. Special brands of Family Milk and/or Grade A Milk may be sold at wholesale at not more than 30% higher than the foregoing wholesale prices for Family Milk and Grade A Milk respectively, and may be sold at retail at not more than 30% higher than the foregoing maximum retail prices for Family Milk and Grade A Milk respectively.

Exhibit E (continued)

2. Milk sold as Family Milk, whether at wholesale or retail, shall contain not less than 3.7% butterfat and not more than 3.9% butterfat; provided that milk containing more than 3.9% butterfat may be sold as Family Milk if at least 1¢ per quart above the foregoing prices for Family Milk is obtained therefor.

3. Where milk or cream is sold at wholesale or retail in paper or other non-returnable containers, a charge of 1-1/2¢ per package shall be added to the price. Where milk or cream is sold by stores, or at wholesale, in glass bottles, a charge of 5¢ per bottle shall be made, refundable upon the return of the bottle.

EXHIBIT FRULES OF FAIR PRACTICES

The following practices are considered unfair and shall not be engaged in by Contracting Distributors or by their officers, employees, or agents:

Any method or device whereby Fluid Milk is sold or offered for sale at a price less than stated in the Agreement, whether by any discount, rebate, free service, merchandise, advertising allowance, credit for Fluid Milk returned, loans or credit outside the usual course of business, or other valuable considerations, or combined price for such milk, together with another commodity sold or offered for sale (whether separately or otherwise), or whereby a subsidy is given for either business or information or assistance in procuring business.

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AGREEMENT SERIES -- AGREEMENT NO. 21

AGREEMENT FOR MILK
GREATER BOSTON MARKET

Issued by the Secretary of Agriculture, October 30, 1933.

Effective date November 3, 1933 (12:01 a.m., eastern standard time).

MARKETING AGREEMENT FOR MILK - GREATER BOSTON MARKET

I

As used in this Agreement, the following words and phrases shall be defined as follows:

- A. "Fluid Milk" means milk, cream or any other of the articles listed in Exhibit E which are sold in the "Greater Boston Market".
- B. "Sales Milk" means milk, produced in the "New England Milk Shed", and sold as whole milk (except as certified milk) in the "Greater Boston Market".
- C. "Surplus Milk" means all other milk produced in the "New England Milk Shed" purchased by "Contracting Distributors" and not sold as whole milk in the "Greater Boston Market".
- D. "Contracting Producers" means Consolidated Dairies, Inc. (a non-profit corporation organized and existing under the laws of the State of Vermont) and such producers and associations of producers of Sales Milk and/or Surplus Milk as may become parties signatory to this Agreement according to the terms thereof, irrespective of whether any such party performs any of the services set forth in paragraph E.
- E. "Contracting Distributors" means any of the following persons engaged in the business of handling Fluid Milk who may become parties signatory to this Agreement according to the terms thereof:
- (a) Pasteurizers, bottlers or other processors of Fluid Milk.
 - (b) Persons distributing Fluid Milk at wholesale or retail (1) to hotels, restaurants, stores or other establishments for consumption on the premises, (2) to stores or other establishments for resale, or (3) to consumers, irrespective of whether any such person is also a producer of milk and irrespective of whether the distribution is by wagon or other vehicle or over the counter.
 - (c) Persons operating stores or other establishments selling Fluid Milk at retail for consumption off the premises.
- F. "New England Milk Shed" means the dairy farms of producers of Sales Milk and/or Surplus Milk, lying within the territory described in Exhibit A which is attached hereto and made a part hereof.
- G. "Greater Boston Market" means the City of Boston and the other cities and towns listed in Exhibit B which is attached hereto and made a part hereof.
- H. "Director" means the Milk Director appointed in the manner and having the duties hereinafter provided.
- I. "Board of Arbitration" means the Milk Board of Arbitration appointed in the manner and having the duties hereinafter provided.

J. "Secretary" means the Secretary of Agriculture of the United States.

K. "Act" means the Agricultural Adjustment Act approved May 12, 1933, as amended.

L. "Person" means individual, partnership, corporation, association or any other business unit.

M. "Association of producers" includes corporations and associations.

II

The parties to this Agreement are the Contracting Producers, the Contracting Distributors, and the Secretary.

WHEREAS, pursuant to the Act, the parties hereto, for the purpose of correcting the conditions now obtaining in the marketing of milk in the Greater Boston Market, desire to enter into a marketing agreement under the provisions of Section 8 (2) of the Act; and

WHEREAS, Consolidated Dairies, Inc. markets more than 70% of Sales Milk and Surplus Milk, and represents that it has corporate power and authority to enter into this Agreement; and

WHEREAS, the Contracting Distributors distribute more than 70% of Fluid Milk which Fluid Milk comprises substantially all the Sales Milk and Surplus Milk marketed by Consolidated Dairies, Inc.; and

WHEREAS, the marketing of Sales Milk and Surplus Milk and the distribution of Fluid Milk are in both the current of interstate commerce and the current of intrastate commerce, which are inextricably intermingled,-

III

Now, therefore, the parties hereto agree as follows:

1. The schedule governing the prices at which, and the terms and conditions under which, Sales Milk and/or Surplus Milk, shall be sold by the Contracting Producers and/or purchased by the Contracting Distributors shall be that set forth in Exhibit C, which is attached hereto and made a part hereof. Such schedule may be changed from time to time by the Director, provided that such changes shall become effective only upon the written approval of the Board of Arbitration and of the Secretary, provided, however, that before giving such approval, the Board of Arbitration or the Secretary or both may call a public hearing with respect to such change. Payments to the Director made pursuant to paragraph 5 hereof and Exhibit D, which is attached hereto and made a part hereof, and the payments of the Contracting Producers made pursuant to paragraph 10 (d) hereof and like payments to Consolidated Dairies Inc., and/or New England Milk Producers' Association (a non-profit corporation organized and existing under the laws of the Commonwealth of Massachusetts),

made pursuant to membership agreements, shall, respectively, be deemed part of the prices paid to producers.

2. The plan governing the marketing of milk shall be that set forth in Exhibit D, and each Contracting Producer and Contracting Distributor agrees to abide by the terms thereof. Such plan may be modified by the Director, provided that any such modification shall become effective only upon the written approval of the Board of Arbitration and of the Secretary, provided, however, that before giving any such approval, the Board of Arbitration or the Secretary or both, may call a public hearing with respect to such modification.

3. The Contracting Distributors agree that they will not purchase milk from or distribute milk of any producer or association of producers not a Contracting Producer (except as provided in Exhibit D and except milk sold as certified milk) unless such producer or association of producers agree to participate in the marketing plan set forth in Exhibit D and authorizes such Contracting Distributors to make payment in accordance with such marketing plan.

4. The Contracting Distributors agree that they will purchase all the milk (provided it meets all the health requirements provided for in this Agreement) tendered by all producers within the New England Milk Shed who have established bases.

5. The schedule governing the prices at which, and the terms and conditions under which, Fluid Milk shall be distributed and sold by the Contracting Distributors shall be that set forth in Exhibit E, which is attached hereto and made a part hereof. Such schedule may be changed by the Director, provided that any such changes shall become effective only upon the written approval of the Board of Arbitration and of the Secretary, provided, however, that before giving any such approval, the Board of Arbitration or the Secretary or both may call a public hearing with respect to such change.

6. The Contracting Distributors agree that they will not purchase milk (except milk sold as certified milk) from any individual producer not a member of the New England Milk Producers' Association or not a member of another association of producers approved by the Director, unless such producer authorizes the purchasing Contracting Distributor to pay over to the Director the same amount per cwt. of milk purchased which the members of the New England Milk Producers' Association are then authorizing the Contracting Distributors to pay over to the New England Milk Producers' Association on behalf of its members; and said purchasing Contracting Distributor shall simultaneously with making payment to the individual producer for milk purchased, make payment as aforesaid to the Director. The sums so paid shall be kept as a separate fund by the Director for the purpose of securing to said individual producers not members of any such association, advertising, educational, credit loss and other benefits similar to those which are secured by the members of the New England Milk Producers' Association by virtue of their like payments to said Association. The Contracting Producers and the Contracting Distributors undertake that the Director shall disburse such funds for the purpose hereinabove provided and shall keep separate books and records in form satisfactory to the Secretary pertaining to such funds, which said books and records

of the Director shall be subject to the examination of the Secretary (or his duly designated agent) during the usual hours of business and the Director shall from time to time furnish to the Secretary such information as the Secretary may require.

7. All producers of milk not members of the New England Milk Producers' Association shall be permitted to become members of the New England Milk Producers' Association or any other association of producers which may become party hereto on an equal basis with the existing members similarly circumstanced.

8. (a) The Contracting Producers and the Contracting Distributors shall severally maintain systems of accounting which shall accurately reflect the true account and condition of their respective businesses. Their respective books and records shall, during usual hours of business, be subject to the examination of the Secretary (or his duly authorized representative) to assist him in the furtherance of his duties with respect to this agreement, including verification by the Secretary of the information furnished on the forms hereinafter referred to. The Contracting Producers and the Contracting Distributors shall severally from time to time furnish information to the Secretary on and in accordance with forms to be supplied by him.

(b) The respective books and records of the Contracting Producers and the Contracting Distributors shall, during usual hours of business, be subject to the examination of the Director (or his duly authorized representative) to the extent necessary to permit the Director to obtain the information required by him for the proper performance of his duties hereunder. All information obtained by or furnished to the Director pursuant to the provisions of this Agreement shall remain the confidential information of the Director, except as provided in Exhibit D, and shall not be disclosed by him except to the Secretary or to the Board of Arbitration upon request, and except that the Director shall combine and publish from time to time the information obtained from producers and/or distributors in the form of statistical studies or data pertaining to production, distribution and other marketing conditions in the New England Milk Shed and the Greater Boston Market, and shall upon request furnish to each such producer or distributor a copy of the information obtained from the books of the requesting party.

(c) The Director and the Board of Arbitration shall furnish the Secretary with such information as the Secretary may from time to time request.

(d) All information obtained by or furnished to the Secretary pursuant to the provisions of this Agreement shall remain the confidential information of the Secretary, and shall not be disclosed by him except upon lawful demand made by the President, by either House of the Congress or by any committee thereof, or by any court. The Secretary, however, may combine and publish the information obtained from the Contracting Producers and/or the Contracting Distributors in the form of general statistical studies or data. The Secretary hereby agrees to issue regulations and prescribe penalties to be imposed in the event of any violation of the confidences or trust imposed hereby.

9. The standards governing the production, receiving, transportation, processing, bottling and distribution of Fluid Milk shall be those required by the laws and regulations of the states and the ordinances, rules and regulations of municipalities where it is produced and where it is sold and by such reasonable standards of quality as the particular Contracting Distributor may establish; provided, however, that in case of any dispute arising out of any such determination by a particular Contracting Distributor, a producer shall have the right to appeal to the Secretary in a manner to be determined by the Secretary.

10. The Rules of Fair Practices set forth in Exhibit F, which is attached hereto and made a part hereof, shall be the Rules of Fair Practices for distributors in the Greater Boston Market. Exhibit F may be changed by the Director, provided that any change shall become effective only upon the written approval of the Board of Arbitration and of the Secretary, provided, however, that before giving any such approval, the Board of Arbitration or the Secretary or both may call a public hearing with respect to such change.

11. (a) The Contracting Producers and the Contracting Distributors agree that they will name a person to act as Director during the term of this Agreement. Such designation shall be by (a) Contracting Producers handling at least 80% of milk paid for as Sales Milk and (b) by at least 70% in number of the Contracting Distributors, which Contracting Distributors must handle at least 50% of Sales Milk. Such Director, or any successor, may be removed by a writing or writings delivered to him and signed by Contracting Producers handling at least 80% of milk paid for as Sales Milk and by at least 30% in number of the Contracting Distributors, which Contracting Distributors must handle at least 50% of Sales Milk. In case of any vacancy in the office of Director, a successor shall be appointed by a writing or writings delivered to the Secretary and signed (a) by Contracting Producers handling at least 80% of milk paid for as Sales Milk and (b) by at least 70% in number of the Contracting Distributors, which Contracting Distributors must handle at least 50% of Sales Milk. Any Director, whether appointed by the Contracting Producers and the Contracting Distributors as aforesaid or by the Board of Arbitration as hereinafter provided, shall be a person satisfactory to the Secretary. In case of a vacancy in the office of Director due to any failure to appoint the original or any successor Director as above provided for a period of ten days, the Board of Arbitration shall make such appointment, and in case the Board of Arbitration shall fail to make such appointment within a further period of ten days, the Secretary may make such appointment. Nothing contained in this Agreement shall, however, be construed to constitute the Director or any person acting under his authority the agent or representative of the Secretary.

(b) Each Contracting Producer and each Contracting Distributor agrees to refer to the Director any disputes whatsoever arising under this Agreement or otherwise in connection with the production and marketing of Sales Milk and/or Surplus Milk and the distribution of Fluid Milk, and, subject to appeal to the Board of Arbitration as hereinafter provided, all action by the Director shall be final and binding upon the Contracting Producers and Contracting Distributors.

(c) The Director shall have power to employ such assistants, clerks and accountants as he may deem necessary in the performance of his duties.

(d) The compensation and disbursements of the Director in an amount not exceeding 2¢ per cwt. of Sales Milk approved by Contracting Producers handling at least 80% of milk paid for as Sales Milk shall be paid monthly, one-half by the Contracting Producers and one-half by the Contracting Distributors pro rata in accordance with the amount of milk paid for as Sales Milk with respect to each Contracting Producer and each Contracting Distributor. The share payable by the Contracting Producers shall be deducted by the Contracting Distributors from the amounts otherwise due to Contracting Producers and the amounts so deducted together with the portion payable by the Contracting Distributors shall be paid to the Director simultaneously with making payment to the producers for milk purchased. The Director shall account semi-annually to the parties hereto for the amounts received by him hereunder.

12. (a) All action by the Director shall be subject to appeal to the Board of Arbitration by any Contracting Producer or any Contracting Distributor.

(b) The Board of Arbitration shall consist of three members; one of whom shall be appointed by the Contracting Producers handling at least 80% of milk paid for as Sales Milk; and one of whom shall be appointed by at least 70% in number of all Contracting Distributors, which Contracting Distributors must handle at least 50% of Sales Milk. The two arbitrators so appointed shall choose a third arbitrator. Alternates who shall serve in the case of the failure or inability of the principal arbitrator to serve, and successor arbitrators and alternates shall be appointed in the same manner as above provided for the appointment of the original principal arbitrators, and arbitrators and alternates, and successors of arbitrators and of alternates may be removed in the same manner in which they were appointed. All appointments shall be in writing or writings delivered to the Secretary and each appointee must meet with the approval of the Secretary. If for any reason a vacancy shall exist in the office of arbitrator for a period of more than ten days, the Secretary may fill such vacancy, but nothing contained in this Agreement shall be construed to constitute the Board of Arbitration or any member thereof the agent or representative of the Secretary.

(c) The decision of a majority of the Board of Arbitration shall be final and conclusive and shall be effective as of the date specified in the Director's decision unless otherwise specified in the award. Pending an award by the Board of Arbitration the operation of the approval, decision, rule, regulation or other action of the Director appealed from, shall be suspended.

(d) The Board of Arbitration shall have power to establish rules governing the taking of appeals and the procedure before the Board, and to allocate costs (including reasonable compensation to the arbitrators, not to exceed \$100 a day each for time actually devoted) among such of the Contracting Producers and the Contracting Distributors as in the judgment of the Board shall be affected by the award, in such manner as the Board shall consider just and equitable, or may order such costs to be paid by

the Director as a part of his disbursements. Each Contracting Producer and each Contracting Distributor will pay to the Director for the account of the Board, all costs so assessed upon each respectively, forthwith upon notice of the amount thereof, and will upon request of the Director pay to him for the account of the Board, his pro rata share (determined on the basis above set forth for determining the payment of the compensation and disbursements of the Director) of a minimum payment of \$25 per month to each of the members of the Board of Arbitration.

13. The Secretary may at any time request an advisory opinion of the Director and/or the Board of Arbitration with respect to matters in connection with this Agreement; the costs of any such opinions to be paid by the Director as a part of his disbursements.

14. This Agreement shall become effective at such time as the Secretary may declare above his signature attached hereto, and this Agreement shall continue in force until the last day of the month following the aforesaid effective date, and thereafter from month to month, except that:

(a) The Secretary may (and shall upon the written request of either (1) Contracting Producers handling at least 80% of milk paid for as Sales Milk or (2) 70% in number of the Contracting Distributors which Contracting Distributors must handle at least 50% of Sales Milk, or (3) five or more Contracting Distributors handling at least 60% of Sales Milk) by press release or other notice as the Secretary may determine, given on or before the 20th day of any month, terminate this Agreement as of the end of such month.

(b) The Secretary may for good cause shown, as of the end of any month, terminate this Agreement as to any party signatory hereto by notice in writing deposited on or before the 20th of said month in the registered mails and addressed to such party at the address of such party on file with the Secretary.

(c) This Agreement shall in any event terminate whenever the President or Congress shall terminate those provisions of the Act which authorize this Agreement.

15. The benefits, privileges and immunities conferred by virtue of this Agreement shall cease upon its termination except with respect to acts done prior thereto, and the benefits, privileges and immunities conferred by virtue of this Agreement upon any party signatory hereto shall cease upon its termination as to such party except with respect to acts done prior thereto.

16. This Agreement may be executed in multiple counterparts, which, when signed by the Secretary, shall constitute taken together, one and the same instrument as if all such signatures were contained in one original.

17. After this Agreement first takes effect any producer or association of producers of Sales Milk and/or Surplus Milk, or any distributor of Fluid Milk, may become a party to this Agreement if a counterpart thereof is executed by him and by the Secretary. The Agreement shall take effect as to such producer or distributor at such time as the Secretary may declare above his signature attached to such counterpart, and the benefits, privileges, and immunities conferred by this Agreement shall then be effective as to such producer or distributor.

18. The Contracting Distributors hereby apply for and consent to licensing by the Secretary, subject to Milk Regulations, Agricultural Adjustment Administration, Series 1, prescribed by the Secretary and approved by the President and subject to terms and conditions not inconsistent with the purpose and effect of this Agreement, and not otherwise.

19. Nothing herein contained shall be construed in derogation of the rights of the Secretary to exercise any powers granted him by the Act, and, in accordance with such powers, to act in the premises whenever he shall deem it advisable.

IV

IN WITNESS WHEREOF the Contracting Producers and the Contracting Distributors, acting under the provisions of the Agricultural Adjustment Act, for the purposes and within the limitations herein contained, and not otherwise, have hereunto set their respective hands and seals.

WHEREAS, It is provided by Section 8 of the Act as follows:

"Sec. 8. In order to effectuate the declared policy, the Secretary of Agriculture shall have power --

"(2) To enter into marketing agreements with processors, associations of producers, and others engaged in the handling, in the current of interstate or foreign commerce of any agricultural commodity or product thereof, after due notice and opportunity for hearing to interested parties. The making of any such agreement shall not be held to be in violation of any of the anti-trust laws of the United States, and any such agreement shall be deemed to be lawful; Provided, That no such agreement shall remain in force after the termination of this Act."

WHEREAS, due notice and opportunity for hearing to interested parties has been given pursuant to provisions of the Act, and the regulations issued thereunder; and

WHEREAS, it appears after due consideration that this is a marketing agreement between the Secretary and persons engaged in the handling of milk and its products within the meaning of said section in the current of interstate commerce; and

WHEREAS, it appears after due consideration that the aforesaid marketing agreement will tend to effectuate the policy of Congress set forth in section 2 of the Act in that such marketing agreement will

(a) establish and maintain such balance between the production of milk in the New England Milk Shed and consumption of such milk and its products in the Greater Boston Market, and such marketing conditions therefor as will reestablish prices to the producers thereof at a level that will give such agricultural commodity a purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of such agricultural commodity in the base period as defined in Section 2 of the Act; and

(b) approach such equality of purchasing power by gradual correction of the present inequalities therein at as rapid a rate as is possible in view of the current consumptive demand in domestic and foreign markets; and

(c) protect the consumer's interest by retaining the production of such agricultural commodity at such level as will not increase the percentage of the consumer's retail cost for such agricultural commodity or products derived therefrom which is returned to the farmer above the percentage which was returned to the farmer in the prewar period August 1909 - July 1914; and

Whereas, I herewith give notice that

(1) The terms and conditions of this Agreement are agreed to as reasonable only in the light of conditions now prevailing in the New England

Milk Shed and are not to be recorded as a precedent for marketing agreements for other milk sheds or for future marketing agreements for the New England Milk Shed; and

(2) The Secretary reserves the privilege of approving a blanket marketing agreement, pursuant to Section 8 (2) of the Act, for all milk sheds, which blanket marketing agreement may make specific modifications for any particular designated milk shed to conform to the conditions then prevailing in such specific milk shed.

NOW THEREFORE, I, Henry A. Wallace, Secretary of Agriculture acting under the provisions of the Agricultural Adjustment Act, for the purposes and within the limitations therein contained, and not otherwise, do hereby execute this Agreement under my hand and the official seal of the Department of Agriculture in the city of Washington, District of Columbia, on this _____ day of August, 1933; and, pursuant to the provisions hereof, I declare this Agreement to be effective on and after 12:01 a.m., eastern standard time, August _____, 1933.

Secretary of Agriculture.

EXHIBIT A

NEW ENGLAND MILK SHED PRODUCTION AREA

1. Farms of all producers of Sales Milk and Surplus Milk, which farms have been inspected by any municipality in Massachusetts, New Hampshire and Maine, or by the State of Massachusetts, and which are located in the following states, counties and towns:

Vermont:

Chittenden County: The following towns: Milton, Westford, Underhill, Colchester, Essex, Jericho, Bolton, Burlington, South Burlington, Williston, Richmond and Huntington, and farms supplying the plants of the Shelburne Cooperative Creamery, Inc., of Shelburne, Vermont.

Rutland County: Towns: Shrewsbury, Mt. Holly, Wallingford and Clarendon.

The following counties (all towns):

Caledonia	Orange
Essex	Orleans
Franklin	Washington
Grand Isle	Windham
Lamoille	Windsor

The following farms in Vermont are to be excluded:

Farms supplying the plants of the Mt. Mansfield Cooperative Creamery and Grain Association, Inc., of Stowe, Vermont.

Maine:

All counties except Aroostock, Hancock and Washington,

New Hampshire:

Entire state.

Massachusetts:

Entire state except the following towns: Sheffield, New Marlborough, Mt. Washington and Egremont.

2. And the following farms:

- (a) In Connecticut shipping to Massachusetts cities and towns.
- (b) In New York State supplying Pittsfield, Mass., viz: Steventown, N.Y.
- (c) Farms supplying Iroquois Creamery Company, Inc., Iroquois, N. Y.
- (d) Farms supplying Dickenson Creamery, Shoreham, Vermont.
- (e) Farms supplying United Dairy System plant, Hoosick, N.Y.
- (f) Farms supplying receiving stations at Eagle Bridge and Salem, N.Y., now shipping to the Greater Boston Market.

EXHIBIT B

"GREATER BOSTON MARKET" DEFINITION

"Greater Boston Market" means and includes:

- District 1 The City of Boston, and the cities and towns of Danvers, Beverly except Prides Crossing and Beverly Farms, Peabody, Salem, Marblehead, Winthrop, Swampscott, Lynn, Lynnfield, Saugus, Nahant, Reading, Wakefield, Woburn, Stoneham, Melrose, Medford, Malden, Revere, Everett, Chelsea, Wilmington, Burlington, Bedford, Concord, Lincoln, Lexington, Winchester, Arlington, Somerville, Cambridge, Belmont, Watertown, Newton, Waltham, Sudbury, Wayland, Weston, Framingham, Natick, Wellesley, Dover, Needham, Brookline, Dedham, Westwood, Norwood, Walpole, Foxborough, Sharon, Canton, Stoughton, Milton, Quincy, Avon, Randolph, Holbrook, Braintree, Weymouth and Hingham.
- District 2 (North and South Shores.) The towns of Rockport, Gloucester, Essex, Manchester, Hamilton, Wenham, that portion of Beverly not included in District 1, Abington, Rockland, Hull, Cohasset, Scituate, Hanover, Norwell, Marshfield, Pembroke, Duxbury, Kingston, Plimpton, Plymouth and Carver.
- District 3 (Cape Cod.) The town of Wareham, and all towns in Barnstable, Dukes and Nantucket Counties.

EXHIBIT C

PRICES TO BE PAID PRODUCERS

The words "producers" and "distributors" mean Contracting Producers and Contracting Distributors, respectively, as defined in the Agreement.

Distributors shall account to producers of Sales Milk and Surplus Milk, subject to the provisions of Exhibit D, as follows:

A. Sales Milk - Raw.

1. Where milk passes through a country receiving station the following shall be the prices paid by distributors to producers based on receipt of milk at the country receiving station receiving room door in the zone 191-200 miles (as defined by the Interstate Commerce Commission) from the market:

Sales Milk - Family \$2.3122 per cwt.

Bonus for Sales Milk bought as Grade A testing when delivered not less than 3.4% butterfat: add to the price of Sales Milk - Family, at least the following amounts per cwt. based on bacterial count as determined by the average of not less than four plate counts a month using the American Public Health Association Standard Methods:

Bacterial Count

	<u>June & Sept.</u>	<u>July & Aug.</u>	<u>Oct. 1 to June 1</u>
10,000 and less per c. c.	40¢	50¢	30¢
Above 10,000 and not exceeding 25,000	35¢	40¢	23¢
Above 25,000 and not exceeding 50,000, as may be agreed upon between the producer and distributor.			

Bonus for Sales Milk Bought as Special Brands: add to the price of Sales Milk - Family, such amount as may be agreed upon between the producer and the distributor to whom such milk is delivered.

The foregoing prices shall be adjusted to reflect different points of receipt and various services rendered as follows:

(a) Where the shipment originates in a zone other than the 191-200 mile zone the price shall be decreased or increased by the amount by which the L.C.L. passenger railroad tariff for 40 qt. cans adjusted to a per cwt. basis for the zone of shipment exceeds or is less than such tariff so adjusted for the 191-200 mile zone.

(b) Where the distributor receives the milk at the country receiving station shipping room door or at any subsequent point of receipt, there shall be added to the price a country station charge of \$.23 $\frac{1}{4}$ per cwt. for Sales Milk - Family and an additional \$.23 $\frac{1}{4}$ per cwt. for Grade A Milk.

(c) Where the distributor shall not furnish containers from the country receiving station to the distributor's city plant, the price shall be increased by \$.03 per cwt.

(d) Where the distributor trucks the milk from a country receiving station located more than one mile from the nearest railroad loading point to such point, the price shall be decreased by the actual reasonable cost of such trucking.

(e) Where the distributor does not operate the country receiving station and the country receiving station ices and loads cars or trucks, there shall be added to the price \$.03 per cwt.

(f) Where the distributor receives his milk at the railroad platform in the Greater Boston Market (instead of the adjustment under (a) above), there shall be added to the price the CL passenger railroad tariff for 40 qt. cans (adjusted to a cwt. basis) for the zone of shipment in cases where the shipment is in carload lots and the LCL passenger railroad tariff for 40 qt. cans (similarly adjusted) for the zone of shipment where the shipment is in less than carload lots. A shipment will be considered CL even if distributors have combined shipments for the purpose of obtaining the CL rate.

(g) Where the distributor receives his milk at his city plant, there shall be added to the price the actual reasonable cost of trucking from the railroad platform in the city in the case of rail shipments, and the actual reasonable cost of trucking from the country receiving station in the case of trucked shipments.

2. Where milk does not pass through a country receiving station but is trucked directly from the farm to distributor's city plant, the following shall be the prices paid by distributors to producers:

Sales Milk - Family \$3.0225

Bonus for Sales Milk bought as Grade A. The terms, conditions and amounts shall be the same as provided in paragraph 1 of subdivision A hereof.

Bonus for Sales Milk Bought as Special Brands: Add to the price of Sales Milk - Family, such amount as may be agreed upon between the producer and the distributor to whom such milk is delivered.

The foregoing prices shall be adjusted to reflect service rendered by decreasing the price by \$.10 per cwt. for weighing and testing.

3. Prices under both paragraphs 1 and 2 above shall be subject to the following additional adjustments:

(a) Where the distributor furnishes containers from the Producer's farm to the receiving station of the distributor either in the country or in the city, the price shall be decreased by \$.0075 per cwt.

(b) Where the distributor trucks the milk from the producer's farm to the country receiving station or the city plant, the price shall be decreased by the actual reasonable cost of such trucking, not to exceed the reasonable cost of shipment by railroad under LCL passenger tariff for 40 qt. cans, plus the actual reasonable cost of local trucking, if any, connected with railroad shipment.

(c) The foregoing prices are based upon milk testing 3.7% butterfat, and shall be subject to a differential for each 1/10 of 1% butterfat above or below 3.7% equal to 1/10 of the average of the daily quotations issued by the U.S.D.A. Bureau of Agricultural Economics for 92 score fresh butter at Boston for the accounting period in which said milk is purchased.

B. Surplus Milk.

The price per cwt. for Surplus Milk shall be determined f.o.b. point of initial receipt from the producer in accordance with the following formula: Take for the accounting period during which Surplus Milk is received, the average of the daily quotations issued by the U.S.D.A. Bureau of Agricultural Economics for 92 score fresh butter at Boston plus 20% (which shall be the butterfat value per pound of butterfat), and then multiply the butterfat value per pound of butterfat thus obtained by 3.7.

1. The above price is based on milk containing 3.7% butterfat subject to a differential for each 1/10 of 1% butterfat above or below 3.7% butterfat equal to 1/10 of the average of the daily quotations issued by the U.S.D.A. Bureau of Agricultural Economics for 92 score fresh butter at Boston for the accounting period in which said milk is purchased.

2. In case the distributor trucks the milk from the producer's farm to the country receiving station or the city plant, the price shall be decreased by the actual reasonable cost of such trucking, not to exceed the reasonable cost of shipment by railroad under LCL passenger tariff for 40 qt. cans, plus the actual reasonable cost of local trucking, if any, connected with railroad shipment.

3. In case Surplus Milk is converted into cream and sold as such by producers, the price for the same shall be determined by adding to the butterfat value per pound of butterfat as obtained above, a conversion cost of 7 cents per pound and the resulting figure shall be multiplied by the number of pounds of butterfat contained in the can and there shall be added thereto container service and actual reasonable cost of transportation to the Greater Boston Market from the point of shipment, as provided in subparagraphs (c), (e), (f) and (g) of paragraph 1 of subdivision A hereof.

C. Skimmed Milk as Such.

The price of skimmed milk as such shall be \$1.06 per cwt. f.o.b. railroad platform in the Greater Boston Market.

D. Miscellaneous Provisions.

For the purpose of this Exhibit and Exhibit D:

Exhibit C - p.4.

(a) The weight of a quart of milk shall be taken as 2.15 pounds, and 100 pounds of milk shall be taken to consist of $46\frac{1}{2}$ quarts.

(b) The milk contained in a "40 qt. can" of milk filled to the neck shall be deemed to weigh 85 pounds and the can to contain $39\frac{1}{2}$ quarts.

(c) The cream contained in a "40 qt. can" of forty percent butterfat cream filled to the neck shall be deemed to weigh 82.5 pounds and the can to contain 33 pounds of butterfat.

(d) "Milk" shall be all milk or cream containing not exceeding six percent butterfat.

(e) "Cream" shall be all milk or cream containing more than six percent butterfat.

(f) Milk shall be classified as to its recognized grade when first received by the distributor and shall be paid for accordingly.

EXHIBIT D

MARKETING PLAN

Base Rating Plan and Method of Payment to Producers

In order to allocate equitably among producers in the New England Milk Shed the proceeds of the sale of milk as whole milk, each producer in the New England Milk Shed whose milk is delivered either to and/or for the Greater Boston Market shall be given a base by the Director as hereinafter provided. Milk shall be deemed to be delivered for the Greater Boston Market if delivered to a plant within the geographical limits of the New England Milk Shed which ships any Fluid Milk to the Greater Boston Market.

"Class I Milk": means the milk of the foregoing producers sold as Sales Milk and milk of such producers which is sold as whole milk outside the Greater Boston Market.

"Class II Milk": means all other milk delivered by the foregoing producers.

The words "producers" and "distributors" as used in this Exhibit mean both Contracting Producers and Contracting Distributors respectively as defined in the Agreement and also Producers and Distributors respectively as defined in the License issued by the Secretary of even date with the Marketing Agreement.

The "base period" shall be September, October and November, 1932.

A. Base Rating Plan for Individual Producers.

1. Special Bases. Bases for the following producers shall be established in the following manner:

(a) Each producer of Class I Milk and/or Class II Milk which on September 1, 1933 is being trucked directly from the farm to the distributor's city plant in, or is distributed directly from the producer's farm by the producer in, the Greater Boston Market shall receive a base equal to his established base on that date, as shown by the records of the distributor purchasing the milk of such producer; or, if he has no such base, then a base equal to 90% of his average daily deliveries of such milk during the base period, or any part thereof; or, if he was not delivering milk during any part of the base period, then a base equal to 90% of his average daily deliveries of milk for the first ninety days of his deliveries or such part thereof as shall have elapsed on September 1, 1933.

(b) Each producer who is delivering Class I Milk and/or Class II Milk on September 1, 1933 under a base rating plan in effect since prior to September 1, 1931, shall receive a base equal to his established base as of September 1, 1933, as shown by the records of the distributor purchasing the milk of such producer.

(c) Producers of Golden Guernsey milk licensed as such by the American Guernsey Cattle Club as of September 1, 1933, shall receive a base equal to the average daily sales of this milk to the Greater Boston Market as Grade A or under the trade name of "Golden Guernsey" during the base period. The foregoing base shall apply to the above Golden Guernsey producers as a group and shall be allocated to each such individual producer on an equitable basis by the American Guernsey Cattle Club, subject to the approval of the Director.

2. General Bases: The base for each producer other than those mentioned in paragraph 1 of this subdivision delivering milk during the base period or any part thereof and delivering Class I Milk and/or Class II Milk on September 1, 1933, shall be determined by applying to his average daily deliveries of milk during the base period (or such part thereof during which he may have delivered milk) the percentage which the average daily total sales of Class I Milk during the base period (less the bases of producers mentioned in paragraph 1 of this subdivision) is of the average daily total deliveries of Class I Milk and Class II Milk by all producers (less the total of such deliveries by producers mentioned in paragraph 1 of this subdivision) during the base period.

3. Cream Producers: Producers delivering milk and/or cream during the base period or any part thereof but delivering only cream on September 1, 1933 shall receive no base unless and until such producers qualify for the delivery of, and deliver daily, Class I Milk and/or Class II Milk (even though such milk shall after delivery to the receiving station be converted into cream); in which event the bases of such producers shall be determined as follows:

(a) If the producer delivered only milk during the base period or any part thereof he shall receive the same base for the balance of 1933 and for the year 1934 as if he had delivered Class I Milk and/or Class II Milk on September 1, 1933; or

(b) If the producer delivered only cream during the base period or any part thereof he shall receive the same base for the balance of 1933 and for the year 1934 as if he had delivered during the base period the milk equivalent of the cream delivered by him during the base period and as if he had delivered Class I Milk and/or Class II Milk on September 1, 1933. The milk equivalent shall be obtained by converting the average daily deliveries of pounds of butterfat into their milk equivalent on a 3.7% basis; or

(c) If the producer delivered milk and cream during the base period, or any part thereof, he shall receive a combined base equal to the sum of the base for his milk delivered determined under (a) above and a base for his cream delivered determined under (b) above.

4. New producers between November 30, 1932 and September 1, 1933: Producers delivering Class I Milk and/or Class II Milk on September 1, 1933 and who did not deliver any milk and/or cream during the base period or any part thereof shall be given a base equal to 60% of their average daily deliveries of Class I Milk and/or Class II Milk during the first ninety days of such deliveries or such part thereof as shall have elapsed on September 1, 1933.

5. Other Producers: Producers not provided for above (or who have lost their bases as provided in this Exhibit) who desire to deliver Class I Milk and/or Class II Milk will be allowed to establish a base, as hereinafter provided, only if such producer first obtains a certificate of necessity from the Director entitling him to a base and to sell milk pursuant to the same, by making due written application to the Director upon forms supplied by the Director. In the event that any such producer is denied a certificate of necessity after having made such written application to the Director, he shall have the right of immediate appeal to the Secretary in a manner to be determined by the Secretary. In the event that a certificate of necessity is issued to such producer his established base shall be not less than 50% of his average daily deliveries of Class I Milk and/or Class II Milk during the first ninety days of such deliveries.

6. Shifting from milk to cream: Producers who transfer from delivering Class I Milk and/or Class II Milk to delivering any cream after September 1, 1933 shall lose their base.

7. Loss of Bases: The base shall go with the farm except when the herd of cows is moved en bloc by the same owner to a new farm. A producer from whose farm Class I Milk and/or Class II Milk has not been delivered (except as provided in paragraph 10 of this subdivision) for a period of ninety days from the date of last delivery shall thereupon lose his base.

8. Transfer of bases: Bases shall not be bought, sold or transferred except as herein provided. There can be only one base for a farm. A producer changing from one distributor to another shall receive the same base with the new distributor as he had with the old distributor.

9. Penalty for delivering under bases: Producers delivering less than 75% of their base for four consecutive pay periods (two months) shall establish a new base equal to the average of such deliveries during such periods.

10. Effect of fire, etc.: The base shall remain in effect for a period of six months following the initial test for tuberculosis, the loss of barn or herd or both by fire, or the loss of herd by lightning. The base shall also be retained for a period of forty-five days in case a Board of Health shall shut off or exclude the farm; and in case of quarantine, for the period of quarantine.

11. 1934 Base: Except as provided in paragraph 3 of this subdivision, 1934 bases shall be the average of the September, October and November, 1933 deliveries of Class I Milk and/or Class II Milk up to the 1933 base. If sales of Class I Milk for that period shall exceed the aggregate of the 1934 bases so established, such excess sales shall be allocated among producers in such amount and manner as the Director shall determine to be equitable.

B. Association Bases and Transfer of Milk.

1. Association bases: The base of any association of producers for each accounting period shall be the sum of the deliveries of base milk by the individual producers who during such accounting period are marketing their milk through such association.

2. Transfer of Milk: Milk must not be transferred between producers and/or associations of producers for the purpose of taking advantage of favorable or unfavorable base positions. If milk which participates in the allotment of the sales of Class I Milk shall be transferred between associations it shall take with it its proportionate share of the base of the transferer.

C. Information to the Director.

The Director, or his duly authorized representative, shall during the usual hours of business have access to the respective books and records of distributors, producers and associations of producers to the extent necessary to permit him to obtain the information required by him for the establishment of bases, the computation of payments and the performance of the other duties required of him by this Exhibit. Information so obtained by the Director shall remain the confidential information of the Director and shall not be disclosed by him except as may be necessary for the proper performance of his duties hereunder, and except as provided in paragraphs 8 (b) and 8 (c) of the Marketing Agreement.

D. Method of Payment to Producers.

1. Payment for Class I Milk and Class II Milk by distributors shall be made for pay periods ending on the 15th and last days of each month and shall be made not later than thirty days after the close of each period.

2. Surplus Milk sold as whole milk in any market other than the Greater Boston Market, shall be paid for by the purchasing distributor at such price (which shall be at least equal to the price for Surplus Milk) as the Director shall approve with a view to competitive conditions in such market.

3. The Director shall for each pay period compute the amount of the payments for Class I Milk and Class II Milk due from each distributor to his producers (or association of producers in so far as the distributor shall make payment to such association) in accordance with the principles set forth in this Exhibit.

4. Such computation shall be made in the following manner:

(a) To the extent that sales of Class I Milk do not exceed total deliveries of base milk, the established price to producers for such sales (with the adjustments required by Exhibit C) shall (except as below provided) be divided pro rata among producers and associations of producers in accordance with their deliveries of base milk.

(b) To the extent that sales of Class I Milk exceed total deliveries of base milk, the established price to producers for such excess sales (with the adjustments required by Exhibit C) shall (except as below provided)

be divided pro rata in accordance with the excess deliveries of Class I Milk and/or Surplus Milk by each producer and association of producers above their respective bases.

(c) The balance of deliveries of Class I Milk and/or Class II Milk shall (except as below provided) be paid for as Surplus Milk.

(d) Deliveries of base milk of Golden Guernsey producers with bases established as above provided, shall be deducted from sales of Class I Milk before making the above computations, and such producers shall receive the Sales Milk price for such deliveries, all irrespective of the amount of sales of such milk of Golden Guernsey producers. Any excess sales as whole milk in the Greater Boston Market of such milk of such producers over and above such bases shall not be deducted from the sales of Class I Milk before making the above computations, but such producers shall receive therefor only the Surplus Milk price. Payments shall be made to or by the Director in so far as necessary to carry out the provisions of this subparagraph.

(e) Milk purchased at not less than the established price for Sales Milk - Family, for distribution as Class I Milk in time of shortage, from producers not having established bases hereunder may, with the approval of the Director, be deducted from sales of Class I Milk before making the above computation, irrespective of whether or not such milk was sold as Class I Milk. Payment for such milk shall also be excluded from the above computations and be made directly by the purchasing distributor to such producers.

(f) In so far as producers shall sell Sales Milk and/or Surplus Milk (1) other than to distributors or (2) as to sales to distributors, other than in its raw state in bulk, they shall make such sales as distributors and at not less than the price for the grade of milk and type of sale in question set forth in Exhibit E, but such producers shall, if an association of producers, account to its individual producers for such Sales Milk and/or Surplus Milk as raw milk in bulk (as distinguished from any return to producers resulting from any processing and/or distribution thereof); in accordance with the terms and conditions set forth in this Exhibit.

(g) (1) premiums or discounts for butterfat differentials, and (2) bonuses for Grade A Milk, Special brands and other Class I Milk, over and above the established price to producers for 3.7% Sales Milk - Family or over and above the price required by paragraph 2 of this subdivision, shall not be included in the above computations, and shall be paid by the distributor directly to his producers or association of producers at the time of making payment to them as aforesaid.

(h) In announcing the results of these computations the Director shall announce for each railroad transportation zone (1) a price per cwt. for base milk f.o.b. any and all points within each such zone and (2) a single price per cwt. for all Class I Milk and/or Class II Milk delivered in excess of base f.o.b. any and all points within each such zone.

5. The Director shall communicate the result of such computations to each distributor in sufficient time for such distributor to make payment as provided in paragraph 1 of this subdivision, and such distributor shall make payment to his producers and/or associations of producers in accordance with the amounts communicated to him by the Director as aforesaid less authorized deductions.

(a) In case the aforesaid payments by any distributor shall be less than the total payments due by such distributor for Class I Milk and Class II Milk handled by him, the Director shall compute the difference, making due allowance for services rendered by the distributor in accordance with Exhibit C, and shall notify the distributor of the amount of such difference at the same time as he shall notify the distributor of the aforesaid payments to producers or associations of producers. The distributor shall forthwith upon receipt of notification of the amount of such difference pay the same to the Director.

(b) In case the aforesaid payments by any distributor shall be greater than the total payment due by such distributor for Class I Milk and Class II Milk handled by him, the Director shall compute the excess, making due allowance for services rendered by the distributor in accordance with Exhibit C, and shall notify the distributor of the amount of such excess at the same time as he shall notify the distributor of the aforesaid payments to producers or associations of producers. The Director shall, as soon as reasonably practicable, distribute among such distributors the payments received by the Director under the preceding paragraph pro rata in accordance with the amount of such excesses computed by him as aforesaid.

6. In cases where payments are made by distributors to any association of producers, such association shall (after deducting such expenses, if any, as the association shall determine) allocate the balance of such payments among their individual producers in accordance with the deliveries of base milk by such producers and in all other respects in accordance with the principles and in the manner set forth in this Exhibit.

EXHIBIT E

SCHEDULE FOR CONTRACTING DISTRIBUTORS' SALES

Prices, Terms and Conditions

Sales of the following articles in the Greater Boston Market by Contracting Distributors shall be made as follows:

(1) Wholesale Sales - Delivered to Bendee's Premises at the prices set forth in Schedule I of this Exhibit E.

(2) Wholesale Sales - At Processor's Platform at the prices set forth in Schedule II of this Exhibit E.

(3) Retail Sales at not less than the prices set forth in Schedule III of this Exhibit E, but at not more than the prices set forth in Schedule IV of this Exhibit E.

(4) Sales in containers shall be made only in containers of the sizes and types specified.

(5) Where a percentage of butterfat content is specified, only at the percentage or within the percentages so specified.

(6) Sales to any public unemployment relief agency may be made at less than the following prices.

I - Wholesale Price Schedule - Delivered to Vendee's Premises.

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
1. Family Milk			
Per 40 quart can	\$3.50	-	-
Per 8 quart can	.74	.76	.82
Per quart bottle	.0975	.1075	.1175
Per pint bottle	.0575	.0675	.0675
Per half pint bottle	.035	.04	.04
2. Grade A			
Per 40 quart can	\$4.30	-	-
Per 8 quart can	.90	.94	.98
Per quart bottle	.1275	.1375	.1475
Per pint bottle	.0875	.0975	.0975
Per half pint bottle	.05	.055	.055
3. Buttermilk			
Per 40 quart can	\$1.80	\$2.00	\$2.20
Per 8 quart can	.36	.40	.44
Per quart bottle	.075	.085	.095
Per pint bottle	-	-	-
Per half pint bottle	.035	.04	.04
4. Skimmed milk			
Per 40 quart can	\$1.40	\$1.60	\$1.80
Per 8 quart can	.28	.32	.36
5. Cream			
16% butterfat			
Per 8 quart can	\$2.00	\$2.12	\$2.16
18-20% butterfat - Light			
Per 8 quart can	\$2.40	2.52	2.56
Per quart bottle	.34	.36	.38
Per pint bottle	.18	.19	.20

Cream (Continued)	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
25-27% butterfat - Medium			
Per 8 quart can	\$2.80	\$2.92	\$2.96
Per quart bottle	.40	.42	.44
Per half pint bottle	.12	.13	.14
29-31% butterfat			
Per 8 quart can	3.30	3.42	3.46
Per quart bottle	.45	.47	.49
34-35% butterfat - Heavy			
Per 8 quart can	3.75	3.87	3.91
Per quart bottle	.50	.52	.53
Per half pint bottle	.15	.16	.17
38-40% butterfat - Extra Heavy			
Per 40 quart can	17.00	-	-
Per 8 quart can	4.25	4.37	4.41
Per quart bottle	.60	.62	.64
Per half pint bottle	.17	.18	.19
Sour (20-22% butterfat)			
Per quart bottle	.34	.36	.38
Per pint bottle	.18	.19	.20
Per half pint bottle	.10	.11	.12

II - Wholesale Price Schedule - At Processor's Platform

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
6. Family Milk			
Per 40 quart can	\$3.20	\$ -	\$ -
Per 8 quart can	.66	.70	.74
Per quart bottle	.0875	.0975	.1075
Per pint bottle	.05	.0675	.0675
Per half pint bottle	.03	.035	.035
7. Grade A			
Per 40 quart can	\$4.00	\$ -	\$ -
Per 8 quart can	.82	.88	.92
Per quart bottle	.1175	.1275	.1375
Per pint bottle	.08	.09	.09
Per half pint bottle	.045	.05	.05
8. Buttermilk			
Per 40 quart can	\$1.40	\$1.60	\$1.80
Per 8 quart can	.28	.32	.36
Per quart bottle	.065	.075	.085
Per half pint bottle	.03	.035	.035
9. Skimmed milk			
Per 40 quart can	\$1.00	\$1.20	\$1.60
Per 8 quart can	.20	.24	.38

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
10. Cream			
16% butterfat			
Per 8 quart can	\$1.90	\$2.02	\$2.06
18-20% butterfat - Light			
Per 8 quart can	2.30	2.42	2.46
Per quart bottle	.31	.33	.35
Per pint bottle	.16	.17	.18
25-27% butterfat - Medium			
Per 8 quart can	2.70	2.82	2.86
Per quart bottle	.37	.39	.41
Per half pint bottle	.11	.12	.13
29-31% butterfat			
Per 8 quart can	3.20	3.32	3.36
Per quart bottle	.42	.44	.46
34-35% butterfat - Heavy			
Per 8 quart can	3.65	3.77	3.81
Per quart bottle	.47	.49	.51
Per half pint bottle	.14	.15	.17
38-40% butterfat - Extra Heavy			
Per 40 quart can	16.50	-	-
Per 8 quart can	4.15	4.27	4.31
Per quart bottle	.57	.59	.61
Per half pint bottle	.16	.17	.18
Sour (20-22% butterfat)			
Per quart bottle	.31	.33	.35
Per pint bottle	.16	.17	.18
Per half pint bottle	.09	.10	.11

III - Retail Price Schedule - Minimum.

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
11. Family Milk			
Per quart bottle	\$.11	\$.12	\$.13
Per pint bottle	.07	.08	.08
12. Grade A			
Per quart bottle	\$.14	\$.15	\$.16
Per pint bottle	.09	.10	.10
13. Buttermilk			
Per quart bottle	\$.08	\$.09	\$.10
14. Cream			
18-20% butterfat - Light			
Per pint bottle	\$.19	\$.20	\$.21
Per half pint bottle	.11	.12	.13
25-27% butterfat - Medium			
Per half pint bottle	.14	.15	.16
34-35% butterfat - Heavy			
Per half pint bottle	.17	.18	.19
38-40% butterfat - Extra Heavy			
Per quart bottle	.68	.70	.72
Per half pint bottle	.19	.20	.21
Sour (20-22% butterfat)			
Per quart bottle	.36	.38	.40
Per pint bottle	.19	.20	.21
Per half pint bottle	.11	.12	.13

IV - Retail Price Schedule - Maximum

	<u>District 1</u>	<u>District 2</u>	<u>District 3</u>
15. Family Milk			
Per quart bottle	\$.12	\$.13	\$.14
Per pint bottle	.075	.085	.085
16. Grade A			
Per quart bottle	\$.15	\$.16	\$.17
Per pint bottle	.10	.11	.11
17. Buttermilk			
Per quart bottle	\$.09	\$.10	\$.11
18. Cream			
18-20% butterfat - Light			
Per pint bottle	\$.20	\$.21	\$.22
Per half pint bottle	.12	.13	.14
25-27% butterfat - Medium			
Per half pint bottle	.15	.16	.17
34-35% butterfat - Heavy			
Per half pint bottle	.18	.19	.20
38-40% butterfat - Extra Heavy			
Per quart bottle	.70	.72	.74
Per half pint bottle	.20	.21	.22
Sour (20-22% butterfat)			
Per quart bottle	.38	.40	.42
Per pint bottle	.20	.21	.22
Per half pint bottle	.12	.13	.14

V - Miscellaneous Terms and Conditions.

1. Special brands of Family Milk and/or Grade A Milk may be sold at wholesale at not more than 30% higher than the foregoing wholesale prices for Family Milk and Grade A Milk respectively, and may be sold at retail at not more than 30% higher than the foregoing maximum retail prices for Family Milk and Grade A Milk respectively.

2. Milk sold as Family Milk, whether at wholesale or retail, shall contain not less than 3.7% butterfat and not more than 3.9% butterfat; provided that milk containing more than 3.9% butterfat may be sold as Family Milk if at least 1¢ per quart above the foregoing prices for Family Milk is obtained therefor.

3. Where milk or cream is sold at wholesale or retail in paper or other non-returnable containers, a charge of 1-1/2¢ per package shall be added to the price. Where milk or cream is sold by stores, or at wholesale, in glass bottles, a charge of 5¢ per bottle shall be made, refundable upon the return of the bottle.

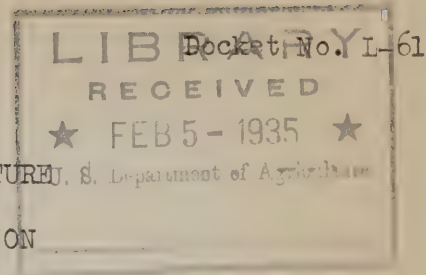
EXHIBIT F

RULES OF FAIR PRACTICES

The following practices are considered unfair and shall not be engaged in by Contracting Distributors or by their officers, employees, or agents:

Any method or device whereby Fluid Milk is sold or offered for sale at a price less than stated in the Agreement, whether by any discount, rebate, free service, merchandise, advertising allowance, credit for Fluid Milk returned, loans or credit outside the usual course of business, or other valuable considerations, or combined price for such milk, together with another commodity sold or offered for sale (whether separately or otherwise), or whereby a subsidy is given for either business or information or assistance in procuring business.

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Boston



UNITED STATES DEPARTMENT OF AGRICULTURE U. S. Department of Agriculture
AGRICULTURAL ADJUSTMENT ADMINISTRATION

PROPOSED
AMENDED LICENSE
FOR MILK
GREATER BOSTON SALES AREA
WITH
Exhibit A
Allotment and Regulation of Bases

This Proposed Amended License in its present form is proposed as the basis of a public hearing for the above-mentioned Greater Boston Sales Area, and none of the provisions contained herein are to be regarded as having received the approval of the Agricultural Adjustment Administration as applying to this market.

(THIS IS NOT FOR SIGNATURE)

I hereby certify that this is a true and correct copy of the Proposed Amended License for Milk, Greater Boston Sales Area, on file in the Office of the Chief Hearing Clerk, United States Department of Agriculture, Agricultural Adjustment Administration.

(Signed) James K. Knudson
Chief Hearing Clerk
4725 South Building
U.S. Dept. of Agriculture
Washington, D. C.

Dated: January 22, 1935.

Washington, D. C.

PROPOSED AMENDED LICENSE FOR MILK

GREATER BOSTON SALES AREA

ARTICLE I -- PREAMBLE

Whereas, section 8 of the Agricultural Adjustment Act, as amended, provides as follows:

"Sec. 8. In order to effectuate the declared policy, the Secretary of Agriculture shall have power -- * * *

"(3) To issue licenses permitting processors, associations of producers, and others to engage in the handling, in the current of interstate or foreign commerce, of any agricultural commodity or product thereof, or any competing commodity or product thereof. Such licenses shall be subject to such terms and conditions, not in conflict with existing Acts of Congress or regulations pursuant thereto, as may be necessary to eliminate unfair practices or charges that prevent or tend to prevent the effectuation of the declared policy and the restoration of normal economic conditions in the marketing of such commodities or products and the financing thereof. * * *

"(4) To require any licensee under this section to furnish such reports as to quantities of agricultural commodities or products thereof bought and sold and the prices thereof, and as to trade practices and charges, and to keep such systems of accounts, as may be necessary for the purpose of part 2 of this title. * * *"

and

Whereas, H. A. Wallace, Secretary of Agriculture, acting under the provisions of said Act, for the purposes and within the limitations therein contained, and pursuant to the regulations issued thereunder, has on the 15th day of March, 1934, issued a License for Milk - Greater Boston Market; which License was subsequently amended on April 30, May 31, July 16, August 21, and September 25, 1934; and

Whereas, the undersigned finds that the marketing distribution and handling of milk and the products thereof, covered by this License, are in the current of interstate or foreign commerce since the portion thereof which occurs within the bounds of a single State affects and actually and potentially competes with the marketing, distribution and handling of commodities and products which occur between or among several States, and since the commodity, and the products thereof, covered by this License, cannot be separated into interstate and intrastate portions, the supply and the marketing, distribution and handling thereof being inextricably commingled, so that it is impossible

to regulate the interstate marketing, distribution and handling without also regulating the intrastate marketing, distribution and handling, and the failure to regulate the latter will defeat and obstruct the purposes of the Act with respect to the former; and

Whereas, the undersigned has determined to modify the terms and conditions of the said License for Milk - Greater Boston Market, as amended, pursuant to section 8 (3) of the Agricultural Adjustment Act, as amended, and applicable General Regulations of the Agricultural Adjustment Administration; and

Whereas, the undersigned finds that the said License, the amendments thereto, and this Amended License are in accordance with the provisions of section 8 (3) of the said Act and tend to effectuate the declared policy set forth in section 2 of said Act, in that the terms and conditions thereof

(a) will tend to establish and maintain such balance between the production and consumption of milk and/or products thereof, and such marketing conditions therefor, as will tend to reestablish prices to farmers producing said commodities at a level that will give such commodity and/or products thereof a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity and/or products thereof in the base period, August 1909-July 1914;

(b) will tend to approach such equality of purchasing power by gradual correction of the present inequalities therein at as rapid a rate as is deemed feasible in view of the current consumptive demand in domestic markets;

(c) will protect the consumers' interest by tending to readjust the farm production of said commodities at such level as will not increase the percentage of the consumers' retail expenditure for said commodity and/or products thereof, which is returned to the farmer, above the percentage which was returned to the farmer in the pre-war period, August 1909-July 1914; and

(d) are necessary to eliminate unfair practices and charges which would prevent or tend to prevent the effectuation of the said declared policy and the restoration of normal economic conditions in the marketing of the said commodity and/or products thereof, and the financing thereof.

Whereas, the undersigned finds that the subject matter of this Amended License is embraced within the scope of a hearing heretofore

held on a Marketing Agreement pursuant to applicable General Regulations of the Agricultural Adjustment Administration:

Now, therefore, the undersigned, acting under the authority vested in the Secretary of Agriculture under the provisions of the Agricultural Adjustment Act, as amended, hereby amends and modifies the terms and conditions of the said License, as amended, and hereby licenses each and every distributor to engage in the business of marketing, distribution and handling milk or cream as a distributor in the Greater Boston Sales Area, subject to the terms and conditions set forth in this Amended License, hereinafter called the "License".

ARTICLE II -- DEFINITIONS

Section 1. Definitions of Terms. As used in this License, the following words and phrases shall be defined as follows:

1. "Act" means the Agricultural Adjustment Act approved May 12, 1933, as amended.

2. "Secretary" means the Secretary of Agriculture of the United States.

3. "Greater Boston Sales Area", hereinafter called the "Sales Area" means the territory included within the boundary lines of the cities and towns of Arlington, Belmont, Beverly, Boston, Braintree, Brookline, Cambridge, Chelsea, Dedham, Everett, Lexington, Lynn, Malden, Marblehead, Medford, Melrose, Milton, Nahant, Needham, Newton, Peabody, Quincy, Reading, Revere, Salem, Saugus, Somerville, Stoneham, Swampscott, Wakefield, Waltham, Watertown, Wellesley, Weymouth, Winchester, Winthrop, and Woburn, Massachusetts.

4. "Person" means any individual, partnership, corporation, association or other business unit.

5. "Producer" means any person, irrespective of whether any such person is also a distributor, who produces milk in conformity with the applicable health requirements in force and effect within the Sales Area for milk to be sold for consumption as whole milk in the Sales Area.

6. "New Producer" means (1) a producer whose milk was neither being purchased by distributors nor being distributed in the Sales Area within ninety (90) days prior to the effective date of the License issued for the Sales Area on the 14th day of March, 1934, or (2) a producer who has ceased to market milk pursuant to the terms and provisions of the said License issued on the 14th day of March, 1934, and any amendments thereto, including this License, for a period of forty-five (45) consecutive days or more, and thereafter markets milk pursuant to the terms and provisions of the License

issued on the 14th day of March, 1934, and any amendments thereto, including this License.

7. "Distributor" means any of the following persons, (irrespective of whether any of such persons is a producer or an association of producers), wherever located or operating, whether within or without the Sales Area, engaged in the business of distributing, marketing, or in any manner handling, whole milk or cream, in whole or in part, for ultimate consumption in the Sales Area;

(a) who pasteurize, bottle or process milk or cream;

(b) who distribute milk or cream at wholesale or retail to (1) hotels, restaurants, stores or other establishments for consumption on the premises; (2) stores or other establishments for resale; and (3) consumers;

(c) who operate stores or other establishments selling milk or cream at retail for consumption off the premises.

(d) who purchase, market or handle milk or cream which is sold for resale in the Sales Area.

8. "Subsidiary" means any person of, or over whom or which, a distributor or an affiliate of a distributor has, or several distributors collectively have, either directly or indirectly, actual or legal control, whether by stock ownership or in any other manner.

9. "Affiliate" means any person and/or any subsidiary thereof, who or which has, either directly or indirectly, actual or legal control of or over a distributor, whether by stock ownership or in any other manner.

10. "Books and records" means books, records, accounts, contracts, memoranda, documents, papers, correspondence or other data pertaining to the business of the person in question.

11. "Market Administrator" means the person designated pursuant to article III.

12. "Delivery period" means the period from the first to, and including the 15th day of each month, and from the sixteenth to, and including, the last day of each month.

13. "Established base", for each producer (including each distributor who is also a producer) or association of producers, means that quantity of milk allotted in accordance with the provisions of exhibit A, which is attached hereto and made a part hereof.

14. "Delivered base", (1) for each producer, means that quantity of milk delivered by such producer to distributors which is not in excess of the established base of such producer; (2) for an association of producers, means

that quantity of milk which is equal to the sum of the delivered bases of its members who are producers; and (3) for each distributor, who is also a producer, means the quantity of milk produced and sold or distributed by such distributor as Class I and Class II milk which is not in excess of the established base of such distributor.

ARTICLE III --- MARKET ADMINISTRATOR

Section 1. Designation, Removal, Bond and Liability. The Market Administrator shall be designated, and shall be subject to removal at any time, by the Secretary. The Market Administrator, within forty-five (45) days following the date upon which he enters upon his duties, shall execute and deliver to the Secretary a bond in such amount as the Secretary may determine, with surety thereon satisfactory to the Secretary, conditioned upon the faithful performance of the duties of such Market Administrator. The Market Administrator shall not be held personally responsible in any way whatsoever to any licensee or to any other person for errors in judgment, mistakes of fact or other acts, either of commission or omission, except for acts of dishonesty, fraud or malfeasance in office.

Sec. 2. Duties. The Market Administrator shall:

1. Perform such duties as may be provided for him pursuant to this License and amendments thereto.
2. Keep such books and records as will clearly reflect the financial transactions provided for in this License, which books and records shall be subject to examination by the Secretary at any and all times.
3. Furnish such information and such verified reports as the Secretary may, from time to time, request.
4. Obtain a bond with reasonable security thereon for each employee who handles funds entrusted to the Market Administrator under the provisions of this License.

Sec. 3. Rights. The Market Administrator shall have the right:

1. To borrow money for the purpose of establishing an office with the necessary equipment and supplies, and for the purpose of meeting current operating expenses during not to exceed two delivery periods; which monies shall be repaid from the funds retained by the Market Administrator to meet his cost of operation.
2. To incur necessary expenses, including compensation for persons employed by the Market Administrator for the proper conduct of his duties, and including the cost of procuring and continuing his bond.
3. To examine the books and records of the distributors and the books

and records of the affiliates and subsidiaries of each distributor for the purpose of (1) verifying the reports and information furnished to the Market Administrator by each distributor pursuant to this License, and/or (2) obtaining the information from any distributor in the event such distributor fails to furnish reports or information as required by this License.

4. To check sampling, weighing and butterfat tests of milk made by distributors, to determine the accuracy thereof, and for the purpose of assuring proper payments to producers. In the event of a discrepancy between the weights and tests determined by the Market Administrator, and the weights and tests determined by the distributors, settlements shall be made by distributors upon the basis of such weights and such butterfat tests as the Market Administrator may in each case decide.

5. To publicly disclose, with the consent of the Secretary,
(a) the names of persons who are in violation of this License, and
(b) the nature of such violations.

6. And the power, upon the specific approval of the Secretary,
(a) to institute legal proceedings in his own name, as Market Administrator; (b) to take any other steps which may be necessary to collect any and all monies which may become due and owing to him as such Market Administrator; (c) to enforce such obligations as accrue to him as such Market Administrator under the terms and provisions of this License; and (d) to settle and compromise all such obligations.

Sec. 4. Compensation. The Market Administrator shall be entitled to reasonable compensation, which shall be determined by the Secretary.

ARTICLE IV -- CLASSIFICATION OF MILK SALES AND USES

Section 1. Primary Sales and Uses. Milk purchased or handled by distributors shall be classified according to its sale and use as follows:

1. Class I milk means all milk sold or distributed by distributors as whole milk, chocolate milk, or flavored milk, for consumption or use in the Sales Area.

2. Class II milk means the quantity of milk purchased, sold, used or distributed by distributors in excess of Class I milk, except as set forth in section 2.

Sec. 2. Other Sales and Uses. Milk sold or distributed by a distributor as milk (1) outside the Sales Area or (2) to another distributor or person, whether within or without the Sales Area, shall be accounted for by such selling distributor as Class I milk: Provided, That if such selling distributor, on or before the date fixed for filing reports pursuant to article VI, shall furnish to the Market Administrator satisfactory proof that such milk or cream has been utilized for a purpose other than the sale or distribution for ultimate consumption or use as milk or cream, then, and in that event, such milk or cream shall be classified in accordance with such other use.

ARTICLE V -- PRICES TO DISTRIBUTORS AND CONDITIONS OF SALES

Section 1. Prices. Each distributor, except as hereinafter provided, shall be obligated to pay, in the manner hereinafter set forth in this License, the following prices for milk, of 3.7 per cent butterfat content, which he has purchased from producers, including new producers:

1. Class I milk - \$3.26 per hundredweight f.o.b. railroad delivery points, or distributor's plant with respect to milk trucked direct from the farm to a distributor.

2. Class II milk - For each one hundred pounds of milk, three and seven-tenths (3.7) times the average price per pound of butterfat in cream of bottling quality, as calculated by the Market Administrator from the weighted average price, f.o.b. Boston, of such cream in 40-quart cans, testing 40 percent butterfat, (each such can shall be deemed to contain 33 pounds of butterfat), as reported by the United States Department of Agriculture for the delivery period during which such milk is purchased, less 11-1/2 cents.

Sec. 2. Adjustments in Cost of Milk to Distributors. The prices set forth in section 1 of this article shall be subject to adjustment in accordance with the following:

1. On Class I milk not trucked directly from the farm to the distributor's plant or platform located in the Sales Area or located within a radius of 60 miles of the Sales Area (whether or not such milk shall be processed and/or bottled before shipment) there shall be an adjustment equal to the C.L. railroad tariff for 40-quart cans for the zone in which the point of loading is located to the railroad delivery point. Unless the prior written consent of the Market Administrator is obtained for some other basis of computation, adjust-

ments made pursuant to this paragraph shall be computed on the basis that, to the extent necessary to supply each distributor with milk sold, distributed or used by him as Class I milk, the milk which was delivered to him at locations in or nearest to the Sales Area shall be deemed to have been that milk which was sold, distributed or used by him as Class I milk.

2. On Class I milk delivered at plants outside of the Sales Area and within a radius of 60 miles thereof, special adjustments may be allowed by the Market Administrator, which adjustments shall be fair and reasonable considering location of plants and cost of transporting such milk.

3. On Class I milk passing through a country station operated by a distributor, there shall be a country station service charge of 20 cents per hundredweight.

4. On Class I milk sold, distributed or used outside the Sales Area, there shall be an adjustment of the difference between the Class I price specified in section 1 of this article, and such price as the Market Administrator may determine to be the market price in the market where such milk is sold, distributed or used.

5. On Class II milk which any producer has delivered to a distributor at a country plant, platform, or loading station located more than 60 miles from the Sales Area, there shall be an adjustment of six cents per hundredweight.

Sec. 3. Other Licenses for Milk. If any milk is purchased from producers pursuant to the terms and conditions of this License and sold as milk or cream for ultimate consumption in another market with respect to which a license is in effect pursuant to section 8 (3) of the Act covering such purchase from producers and such sale as milk or cream, then, and in that event the license in effect in the area in which such milk or cream is sold for ultimate consumption shall govern the prices and conditions of such sale.

Sec. 4. Transactions with Violators. No distributor shall purchase milk or cream from, or process or distribute milk or cream for, or sell milk or cream to any other distributor who he has notice is violating any provision of this License.

Sec. 5. Prior Contracts. Any contract or agreement entered into by a distributor prior to the effective date of this License, covering the purchase, delivery and/or sale of milk and its products, shall be

deemed to be superseded by the terms and conditions of this License insofar as such contract or agreement is inconsistent with any provisions of this License.

ARTICLE VI -- REPORTS OF RECEIPTS AND SALES OF MILK BY DISTRIBUTORS

Section 1. Regular Reports. On or before the 8th day after the end of each delivery period, except as set forth in paragraph 5 of this section, each distributor (other than those who operate only stores or similar establishments) shall submit a sworn statement to the Market Administrator in a manner prescribed by the Market Administrator, with respect to milk or cream received and/or produced by such distributor, during such delivery period, as follows:

1. The deliveries to each plant location from producers, who are not also distributors, supplying such distributor; the total quantity of milk represented by the delivered bases of all such producers; the total quantity of milk represented by the excesses over delivered bases of all such producers; and the deliveries of new producers supplying such distributor.

2. The total quantities of milk which were sold, used or distributed by such distributor as Class I and Class II milk, respectively, including sales to other distributors.

3. The deliveries of milk made to such distributor by any other distributor, including a distributor who is also a producer.

4. The quantity of milk produced by such distributor, if any, which was sold, used or distributed by him as Class I and Class II milk, respectively.

5. Within two days after first receiving milk from any producer (1) the name of such producer, (2) the date on which such milk was first received; and (3) whether or not such producer is a new producer.

6. Such other information as the Market Administrator may request for the purpose of performing the provisions of this License.

Sec. 2. Special Reports. Any distributor not required to report pursuant to section 1 of this article shall report to the Market Administrator, upon his request and in a manner prescribed by him, with respect to milk or cream received, used, distributed or handled by such distributor.

ARTICLE VII -- DISTRIBUTORS NOT MARKETING WHOLE MILK AND
DISTRIBUTORS WHO ARE ALSO PRODUCERS

Section 1. Distributors Not Marketing Whole Milk. Any distributor who does not sell or distribute whole milk for ultimate consumption or use in the Sales Area:

1. Shall not sell cream to other distributors for distribution and ultimate consumption or use in the Sales Area at a price less than the price at which such distributor sells similar cream for distribution and ultimate consumption nearest the location where milk is processed into such cream by such distributor, plus the reasonable cost of transporting such cream to the Sales Area.

2. Shall not be subject to the terms and provisions of section 1 of article V, nor of articles VIII, IX, X, XII or XIII; but shall submit any or all reports pursuant to article VI upon the request of the Market Administrator.

Sec. 2. Distributors Who Are Also Producers. Each distributor who is also a producer and who neither

- (1) sells any part of the milk produced by him to other distributors (other than those who operate only stores or similar establishments) or to manufacturing plants, nor
- (2) purchases milk from other producers or distributors for distribution as whole milk or cream,

shall as to each delivery period receive an exemption from the computations made pursuant to article VIII for that daily average volume of his sales and uses up to and including 250 quarts of milk (such amount to be adjusted from time to time by the Market Administrator so as to approximate the average amount of Class I milk handled per retail route by all distributors), which exemption shall be ratably deducted from such distributor's Class I and Class II sales or uses in proportion to the respective total amounts of such sales or uses in such classes.

Sec. 3. Limitations. No provisions in this License shall be construed to relieve any distributor who does not sell or distribute whole milk or any distributor who is also a producer from any of the obligations of this License except as set forth in sections 1 and 2 of this article. The provisions set forth in section 2 of this article shall not apply to any distributor other than a person who produces milk distributed by himself as whole milk or cream.

ARTICLE VIII -- DETERMINATION AND NOTIFICATION OF
PRICES TO PRODUCERS

Section 1. Computations. With respect to each delivery period, the Market Administrator shall:

1. Compute the total value of the milk reported by each and all distributors pursuant to article VI on the basis of the classification and prices with adjustments as set forth in articles IV and V, respectively, which computations shall not include the milk or the value thereof (1) as purchased by distributors from other distributors, (2) as excluded from such computations under the provisions of article VII, or (3) if classified as emergency milk pursuant to section 6 of article IX.

2. Compute the total quantity of milk which represents the delivered bases of producers and which is included in the computations pursuant to paragraph 1 of this section.

3. Compute the total value of the milk which is in excess of the delivered bases determined pursuant to paragraph 2 of this section and which is included in the computations pursuant to paragraph 1 of this section, by multiplying such quantity of milk by the price specified for Class II milk in section 1 of article V.

4. Compute the total value of the quantity of milk represented by the delivered bases of producers by subtracting the value obtained in paragraph 3 of this section from the value obtained in paragraph 1 of this section.

5. Compute the total adjusted value of the milk represented by the delivered bases of producers by adding to the value obtained in paragraph 4 of this section, the adjustments set forth in section 4 of article IX.

6. Compute the blended price for the quantity of milk represented by the delivered bases of producers by dividing the adjusted value obtained in paragraph 5 of this section by the quantity of milk represented by the delivered bases of producers as determined in paragraph 2 of this section, which blended price shall be subject to adjustments as set forth in section 2 of this article.

Sec. 2. Adjustments for Reserves. The Market Administrator may adjust the blended price, computed pursuant to section 1 of this article, for the purpose of establishing and maintaining a reserve account against (1) the failure or delay of distributors to make payments on equalization accounts pursuant to section 2 of article X, (2) errors and discrepancies in reports of distributors, and (3) errors and discrepancies in equalization accounts, including adjust-

ments on delayed reports of distributors: Provided, That such adjustments in the blended price for any one delivery period may not, except upon the specific approval of the Secretary exceed an amount equal to two (2) per cent of the total value of milk reported by distributors for such delivery period. Except upon the approval of the Secretary, such reserve account shall at no time contain an amount in excess of ten (10) per cent of the value of the milk reported by distributors for an average delivery period and shall in no event be used by the Market Administrator to meet any costs or liabilities incurred by him under this License. If and when all or any portion of said reserve fund is not necessary to accomplish the purpose for which it was created, equitable distribution thereof shall be made by the Market Administrator to the producers supplying milk for distribution in the Sales Area.

Sec. 3. Notification and Announcement of Producer's Prices.

On or before the 12th day after the end of each delivery period, the Market Administrator shall notify each distributor, whose report is included in the computations made pursuant to section 1 of this article, of the blended price, as computed and adjusted pursuant to sections 1 and 2 of this article, and of the Class II price as provided for in section 1 of article V and make public announcement of such prices: Provided, That if an association of producers elects to make payments to producers pursuant to section 2 of article IX, then the Market Administrator shall also compute, announce, and notify each such association of an equivalent price or prices, as the case may be, in terms of the system of payment used by each such association of producers.

ARTICLE IX -- PAYMENTS TO PRODUCERS

Section 1. Payments to Producers and New Producers. Except as provided in section 2 of this article, each distributor shall pay to producers, including new producers, on or before the 15th day after the end of each delivery period for milk delivered by such producers during such delivery period, subject to adjustments as set forth in this article and deductions as set forth in article XII:

1. The blended price for the quantity of milk delivered by each such producer represented by such producer's delivered base; and

2. The Class II price for the quantity of milk delivered by each such producer in excess of such producer's delivered base.

3. (Discussion and information should be developed here regarding payment to new producers at Class II price for delivery periods).

Sec. 2. Other Systems of Payments to Producers. An association of producers may pay producers in a manner other than that set forth in section 1 of this article, subject to adjustments as set forth in this article and deductions as set forth in article XII: Provided, That such association shall submit to the Market Administrator such data and information as the Market Administrator may request for purposes of computing and announcing a price or prices pursuant to section 3 of article VIII.

Sec. 3. Additional Payments. Any distributor may, with the prior approval of the Market Administrator, make payments to producers in addition to the payments pursuant to sections 1 or 2 of this article: Provided, That such additional payments are made to all such producers supplying such distributor with milk of similar quality and grade.

Sec. 4. Location Adjustments in Payments to Producers. The payments to be made to producers by distributors pursuant to section 1 of this article shall be subject to adjustment in accordance with the following:

1. With respect to delivered base, (1) an amount equal to the C. L. railroad tariff for 40-quart cans for the zone in which the point of loading is located to the railroad delivery point in the Sales Area, on milk not trucked directly from the farm to the distributor's plant or platform located in the Sales Area or located within a radius of sixty miles of the Sales Area (whether or not such milk shall be processed and/or bottled before shipment); (2) such charges per hundredweight of delivered bases as are equal to the special charges per hundredweight on Class I milk which the Market Administrator has allowed pursuant to paragraph 2, section 2 of article V to distributors not located in the Sales Area but located within 60 miles of the Sales Area; and (3) a charge of 20 cents per hundredweight on such delivered base milk as passes through a country station.

2. With respect to excess over delivered base and all milk delivered by new producers, a charge of six (6) cents per hundredweight on milk not delivered by the producer directly from the farm to the distributor's plant located in the Sales Area or located within a radius of 60 miles of the Sales Area.

Sec. 5. Special Adjustments in Payments to Producers. No distributor may accept services from or render services to a producer or an association of producers from whom he is purchasing milk without making a reasonable payment or charge, as the case may be, for such services. Such payments or charges shall (1) be subject to the approval of the Market Administrator, and (2) apply equitably to all producers supplying such distributor with milk. Each distributor making adjustments pursuant to this section may be required to make such reports and permit such examination of his books and records as the Market Administrator may deem reasonable for purposes of this provision.

Sec. 6. Emergency Milk. During any emergency period when the normal supply of milk from producers is not sufficient to meet the Class I requirements of any distributor, such distributor may, with the prior approval of the Market Administrator, purchase milk for such emergency purposes from producers on terms and conditions other than those set forth in this article and in article XII, but at prices not less than the equivalent of the prices set forth in article V, in which event such milk shall not be included in the computations as provided in article VIII, but shall be reported separately to the Market Administrator by such distributor.

Sec. 7. Butterfat Differentials. If any producer has delivered to any distributor during any delivery period milk having an average butterfat content other than 3.7 percent, such distributor shall pay to each such producer per hundred pounds for each one-tenth of one percent of average butterfat content above 3.7 percent or shall be entitled to deduct per hundred pounds for each one-tenth of one percent of average butterfat content below 3.7 percent, an amount equal to one-tenth of the average price per pound of butterfat in cream of bottling quality, less seven cents, as calculated by the Market Administrator, from the weighted average price, f.o.b. Boston, of such cream in 40-quart cans, testing 40 percent butterfat, (each such can shall be deemed to contain 33 pounds of butterfat, as reported by the United States Department of Agriculture for the delivery period during which such milk is purchased (whether the milk is Class I or Class II milk)).

ARTICLE X -- EQUALIZATION AMONG DISTRIBUTORS AS TO PAYMENTS TO PRODUCERS

Section 1. Equalization Accounts. The Market Administrator shall maintain for distributors whose reports are included in the computations pursuant to article VIII, records and accounts which will accurately disclose for each distributor (1) a debit of the total value of milk as computed for such distributor pursuant to paragraph 1, section 1 of article VIII, (2) a credit of the total payments to be made by such distributor pursuant to section 1 of article IX, after giving effect to the adjustments pursuant to section 4 of article IX, and (3) the payments to be made by such distributor to the Market Administrator and payments to be made by the Market Administrator to such distributor.

Sec. 2. Statement to Distributors and Payment of Balances. On or before the 12th day after the end of each delivery period the Market Administrator shall render a statement to each distributor whose reports are included in the computations pursuant to article VIII, showing the debit or credit balance, as the case may be, in the equalization account of such distributor with respect to milk purchased, sold or used during such delivery period. Debit balances shall be paid to the Market Administrator on or before the 14th day after the end of such delivery period. Any funds so paid to the Market Administrator shall, as soon as reasonably possible, be paid out by him pro rata among the distributors having credit balances in proportion to, but only to the extent of, each such credit balance.

ARTICLE XI -- PRODUCERS AND PRODUCERS' COOPERATIVE ASSOCIATIONS

Section 1. Payments by Cooperatives. No provision in this License shall be construed as controlling or restricting any producers' cooperative association which meets the requirements of the Capper-Volstead Act and is licensed as a distributor under this License, with respect to the actual deductions or charges, dividends or premiums to be made by such association from and/or to its members: Provided, That no such deductions or charges may be made by any such producers' cooperative association from any of its members, to meet a current operating loss incurred by such producers' cooperative association in its processing or distribution operations unless (a) expressly and specifically authorized by any such member to make such deductions or charges for such purpose, (b) the producers' cooperative association notifies the Market Administrator in advance of the same, and (c) furnishes the Market Administrator with such information as will record the bona fides of deductions made pursuant to this section.

Sec. 2. Right to Check Weights and Tests. A producers' association shall at all reasonable times have, with respect to its members, the right to check sampling, weighing and butterfat tests of milk made by distributors: Provided, That the Market Administrator has given notice that such association is qualified to perform satisfactorily the services specified in section 2 of article XII.

Sec. 3. Transportation Rights. Producers shall have the right to deliver milk to plants or platforms of distributors, using any reasonable method of transportation which they, in their discretion, may select. No distributor shall interfere with or discriminate against producers in the exercise of such right. At the request of the Market Administrator, each distributor shall from time to time submit a verified report stating the actual transportation charges on all milk delivered to him f.o.b. any and all plants, for the purpose of permitting the Market Administrator to review such transportation charges and to determine the reasonableness thereof.

ARTICLE XII -- DEDUCTIONS FROM PAYMENTS TO PRODUCERS

Section 1. For Market Administration. Each distributor shall deduct two (2) cents per hundredweight from the payments to be made by him pursuant to article IX in regard to all milk delivered to him during each delivery period by producers who are not also distributors and shall, on or before the 25th day after the end of each such delivery period, pay such deduction to the Market Administrator, and each distributor who produces milk distributed by him shall make a similar payment for milk produced by him and sold during each delivery period as Class I or Class II milk. Such payments shall be retained by the Market Administrator in a separate account to meet his cost of operation.

Sec. 2. For Marketing Services. Upon the request of the Market Administrator each distributor shall, in addition, deduct five (5) cents per hundredweight from the payments to be made by such distributor pursuant to article IX in regard to all milk delivered to him during each delivery period by producers (1) for whom the following services are now currently rendered by a producers' cooperative association in a manner satisfactory to the Market Administrator: (a) market information, (b) supervision over weights and tests, and (c) to the extent that funds permit, the establishment and maintenance of a reserve fund for protection against the failure of distributors to make payments for milk purchased; and (2) from whom a substantially similar charge or deduction is not being paid by distributors to a producers' cooperative association for such purposes. Such deductions shall be paid to the Market Administrator on or before the 15th day after the end of each delivery period and shall be expended by him for the purpose of securing services similar to those above named for producers from whose payments such deductions are made, except that with the approval of the Secretary, the Market Administrator may notify any producer when the distributor, to whom such producer is selling milk, is violating any of the terms and provisions of this License, and no producer shall be entitled to protection against the failure of such distributor to make payments for milk purchased from such producer thereafter and until otherwise notified by the Market Administrator. All deductions made pursuant to this section shall be kept in a separate account by the Market Administrator and shall in no event be used by the Market Administrator to meet any costs or liabilities incurred by him under this License except as set forth in this section.

Sec. 3. Agents of Market Administrator. The Market Administrator may, in his discretion, employ the facilities and services of any agent or agents for the purpose of securing to producers the aforementioned benefits, if such benefits may be efficiently and economically secured thereby. The Market Administrator shall pay over such funds to such agent or agents, if he determines to do so, only upon the consent of such agent or agents to (1) keep its or their books and records in a manner satisfactory to the Market Administrator; (2) permit the Market Administrator to examine its or their books and records, and to furnish the Market Administrator such verified reports or other information as the Market Administrator may from time to time request; and (3) disburse such funds in the manner above provided.

Sec. 4. Waiver of Deductions. The Market Administrator, in his discretion, may at any time waive the foregoing deductions or distribute any balance arising from such deductions, or any part thereof for any delivery period (in which event the deductions so waived shall not be made by the distributors from payments to producers; the distribution of any such balances shall be equitable (1) among all producers with respect to the amounts paid to the Market Administrator pursuant to section 1 of this article, and (2) among all producers from whom such deductions have been made pursuant to section 2 of this article.

ARTICLE XIII -- DISTRIBUTOR'S FINANCIAL RESPONSIBILITY

Section 1. Bond. Each distributor who purchases milk from producers and sells any part of such milk for distribution as whole milk for consumption in the Sales Area shall, within thirty days after the receipt of a notice to that effect from the Market Administrator, furnish to the Market Administrator a bond with good and sufficient surety thereon, satisfactory to the Market Administrator (in an amount not in excess of the purchase value of the milk purchased by such distributor during any two successive delivery periods as designated by the Market Administrator) for the purpose of securing the fulfillment of such distributor's obligations as provided in this License. Any distributor who commences to do business after the effective date of this License shall, as a condition precedent to engaging in such business, furnish to the Market Administrator a bond in conformity with the foregoing provision.

Sec. 2. Waiver of Bond. The Market Administrator may (1) if satisfied from the investigation of the financial condition of a distributor that such distributor is solvent and/or possessed of sufficient assets to fulfill his said obligations, or (2), if, pursuant to a State statute, a distributor has furnished a bond with good and sufficient surety thereon in conformity with the foregoing provision, waive the requirement of such bond as to such distributor. Such distributor, may, upon a change in such circumstances, be required by the Market Administrator to comply with the foregoing requirement.

Sec. 3. Periodic Deposits. Each distributor who is unable to meet the requirements of the foregoing provisions shall make periodic deposits with the Market Administrator at such times, in such amounts, and in such manner as the Market Administrator may determine to be necessary in order to secure the fulfillment of such distributor's obligations as provided in this License.

ARTICLE XIV -- MILK INDUSTRY BOARD

Section 1. Establishment. The Secretary may, in his discretion, at any time establish a Milk Industry Board, which shall have representation of producers, distributors, and the public. In establishing the Milk Industry Board, the Secretary will give due consideration to the recommendations and nominations by various groups of producers, distributors and the consuming public.

Sec. 2. Duties and Powers. The Milk Industry Board shall have such duties and powers as the Secretary may, from time to time, delegate to it, in order to effectuate the provisions and purposes of this License, and to recommend to the Secretary that obligations arising under the terms and provisions of this License, and due and owing to the Market Administrator, be settled and compromised.

Sec. 3. Expenses. The Secretary may further, in his discretion, authorize and direct the Market Administrator to pay over to the Milk Industry Board for the purpose of meeting its general expenses, a portion of the monies paid to the Market Administrator for his cost of operation: Provided, That such portion shall in no event exceed 1/4 cent per hundred pounds of milk for which such payment is made.

ARTICLE XV -- GENERAL PROVISIONS

Section 1. Books and Records. The distributors and their respective affiliates and subsidiaries shall severally keep books and records which will clearly reflect all the financial transactions of their respective businesses and the financial condition thereof.

Sec. 2. Reports. The distributors shall severally, from time to time, upon the request of the Secretary, furnish him with such information as he may request, in a manner prescribed by him and/or in accordance with forms of reports to be supplied by him, for the purposes of (1) assisting the Secretary in the furtherance of his powers and duties with respect to this License and/or (2) enabling the Secretary to ascertain and determine the extent to which the declared policy of the Act and the purpose of this License are being effectuated; such reports to be verified under oath. The Secretary's determination as to the necessity of and the justification for the making of any such reports, and the information called for thereby, shall be final and conclusive.

Sec. 3. Examination of Books and Records. For the same purposes as set forth in section 2 of this article and/or to enable the Secretary to verify information furnished him, all the books and records of each distributor and the books and records of the affiliates and subsidiaries of each distributor, shall, during the usual hours of business, be subject to examination by the Secretary. The Secretary's determination as to the necessity of and the justification for any such examination shall be final and conclusive.

Sec. 4. Confidential Information. To the extent not otherwise expressly provided by this License, all information in the possession of the Secretary, the Market Administrator, their agents, or any official, which relates to the business or property of any person and which was furnished by or obtained from such person pursuant to the requirements of this License shall be kept confidential in accordance with the applicable General Regulations of the Agricultural Adjustment Administration.

Sec. 5. Agents. The Secretary may by designation in writing, name any person or persons, including officers or employees of the Government, or Bureaus or Divisions of the Department of Agriculture, to act as his agents or agencies in connection with any of the provisions of this License, and he may authorize any such agent or agency to designate or appoint persons,

including officers or employees of the Department of Agriculture, to exercise or perform any or all of the powers and functions delegated to them as may be deemed necessary or advisable to accomplish the proper execution or performance of such powers and functions.

Sec. 6. Separability. If the applicability of any provision of this License to any person, circumstance or thing is held invalid, the applicability thereof to any other person, circumstance or thing, shall not be affected thereby. If any provision of this License is declared invalid, the validity of the remainder of this License shall not be affected thereby.

Sec. 7. Derogation. Nothing contained in this License is or shall be construed to be in derogation or modification of the rights of the Secretary, or of the United States (1) to exercise any powers granted by the Act or otherwise, and/or (2) in accordance with such powers, to act in the premises whenever such action is deemed advisable.

Sec. 8. Termination. In the event this License is terminated or amended by the Secretary, any and all obligations which shall have arisen, or which may thereafter arise in connection therewith, by virtue of or pursuant to this License, and any violations of this License which may have occurred prior to such termination or amendment, shall be deemed not to be affected, waived or terminated by reason thereof, unless so expressly provided in the notice of termination of, or the amendment to this License.

Sec. 9. Period of Notice. The undersigned hereby determines that an emergency exists which requires a shorter period of notice than three days, and that the period of notice, with respect to the issuance of this License, which is hereinafter provided, is reasonable under the circumstances.

In witness whereof, Secretary of Agriculture, acting under the provisions of the Agricultural Adjustment Act, as amended, and pursuant to the applicable General Regulations of the Agricultural Adjustment Administration, does hereby execute in duplicate and issue this License in the City of Washington, District of Columbia, on this day of _____, 1935, and pursuant to the provisions hereof, declares this License to be effective on and after 12:01 a.m., eastern standard time, _____, 1935.

Secretary of Agriculture

EXHIBIT A

ALLOTMENT AND REGULATION OF BASES

Section 1. Allotment of Bases. For the purposes of this License, the Market Administrator shall allot bases as follows:

1. The total of established bases of all producers shall, so far as practical, serve the requirements of all distributors' sales and uses of Class I milk.

2. Each producer shall be allotted a base with respect to milk marketed pursuant to this License, which base shall be equitable as compared with all other bases allotted to producers pursuant to this section.

3. Each association of producers making payments to producers pursuant to article IX shall be allotted a base, which base shall consist of the sum of the established bases of its members who are producers.

4. Each distributor, who is also a producer, shall be allotted a base, which base shall be equitable as compared with all other bases allotted to producers pursuant to this section.

5. In the case of new producers, including distributors who are also new producers, bases shall be allotted by the Market Administrator, which bases shall be equitable with all other bases allotted to producers pursuant to this section: Provided, That no new producer shall be allotted a base who is producing on a farm with respect to which a base already applies, unless such new producer shall have a tenant-landlord relationship with the producer who has a base on such farm.

Sec. 2. Revision of Bases. The Market Administrator may make such revisions in the bases of any and all producers as he may from time to time deem necessary or advisable to the end that (1) such bases may be equitable as among all producers and (2) that the total of all established bases may conform to the purpose set forth in paragraph 1. of section 1.

Sec. 3. Announcement and Recording of Bases. When bases are established for producers, pursuant to sections 1 and 2 of this article, the Market Administrator shall notify each distributor of the bases of producers who are delivering milk to each such distributor. The Market Administrator shall maintain a record of bases for producers which shall be available to any licensee or anyone affected by this License.

Sec. 4. Tenure and Transfer of Bases. The following rules shall govern the tenure and transfer by producers of all bases allotted pursuant to this exhibit:

1. Any producer whose average deliveries of milk for four consecutive delivery periods, except during the months of April, May and June, are less than 75 percent of his established base will thereby establish a new base equal to such average deliveries.

2. A base may be transferred by the Market Administrator from a producer to a person who has no base, upon the transfer of such producer's entire herd to such person.

3. A producer with a base, whether landlord or tenant, may retain his base when moving his entire herd from one farm to another farm.

4. A landlord who rents on shares is entitled to the entire base to the exclusion of the tenant, if the landlord owns the entire herd. Likewise, the tenant who rents on shares is entitled to the entire base to the exclusion of the landlord if the tenant owns the entire herd. If the cattle are jointly owned by tenant and landlord, the base shall be divided between the joint owners according to the ownership of the cattle if and when such joint owners terminate the tenant-landlord relationship.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

PROPOSED
MARKETING AGREEMENT
AND PROPOSED ORDER REGULATING THE HANDLING
OF MILK
IN THE GREATER BOSTON, MASSACHUSETTS, MARKETING AREA

U.S. Department of

This proposed marketing agreement and proposed order to regulate the handling of milk in the Greater Boston, Massachusetts, Marketing Area in their present forms are for the purpose of discussion at public hearing and are not to be regarded as having received the approval of the Agricultural Adjustment Administration.

PROPOSED MARKETING AGREEMENT REGULATING
THE HANDLING OF MILK IN THE GREATER
BOSTON, MASSACHUSETTS, MARKETING AREA

The parties to this Agreement are the contracting handlers, and the Secretary of Agriculture of the United States.

Whereas, it is provided in Title I, Section 8(b) of the Agricultural Adjustment Act, approved May 12, 1933, as amended (hereinafter called the Act), as follows:

"In order to effectuate the declared policy of this title, the Secretary of Agriculture shall have the power after due notice and opportunity for hearing, to enter into marketing agreements with processors, producers, associations of producers, and others engaged in the handling of any agricultural commodity or product thereof, only with respect to such handling as is in the current of interstate or foreign commerce, or as directly burdens, obstructs, or affects, interstate or foreign commerce in such commodity or product thereof."

Whereas, the Secretary of Agriculture, having reason to believe that the execution of a Marketing Agreement would tend to effectuate the declared policy of Title I of the Act with respect to the producers of milk for the Greater Boston, Massachusetts, Marketing Area, did on the day of , 1935, give notice of a hearing to be held on the day of , 1935, on a proposed Marketing Agreement regulating the handling of said commodity, and did at the said time and place conduct a public hearing thereon at which all interested parties were afforded an opportunity to be heard on the said proposed Marketing Agreement;

Whereas, the parties hereto, for the purpose of correcting conditions now obtaining in the handling of milk, in the Greater Boston, Massachusetts, Marketing Area, and to effectuate the declared policy of the Act, desire to enter into a Marketing Agreement under the provisions of Title I, Section 8(b) of the Act.

Now, therefore, the parties hereto agree as follows:

ARTICLE I -- DEFINITIONS

Section . Terms. The following terms shall have the following meanings:

1. "Act" means the Agricultural Adjustment Act approved May 12, 1933, as amended.

2. "Secretary" means the Secretary of Agriculture of the United States.

3. "Greater Boston Marketing Area," hereinafter called the "Marketing Area," means the territory included within the boundary lines of the cities and towns of Arlington, Belmont, Beverly, Boston, Braintree, Brookline, Cambridge, Chelsea, Dedham, Everett, Lexington, Lynn, Malden, Marblehead, Medford, Melrose, Milton, Nahant, Needham, Newton, Peabody, Quincy, Reading, Revere, Salem, Saugus, Somerville, Stoneham, Swampscott, Wakefield, Waltham, Watertown, Wellesley, Weymouth, Winchester, Winthrop, and Woburn, Massachusetts.

4. "Person" means any individual, partnership, corporation, association, and any other business unit.

5. "Producer" means any person, irrespective of whether any such person is also a handler, who produces milk in conformity with the health requirements applicable for milk to be sold for consumption as milk in the Marketing Area.

6. "Handler" means any person, irrespective of whether such person is a producer or as association of producers, wherever located or operating, who engages in such handling of milk, which is sold as milk or cream in the Marketing Area, as is in the current of interstate or foreign commerce, or which directly burdens, obstructs, or affects interstate or foreign commerce in milk and its products.

7. "Market Administrator" means the person designated pursuant to article II as the agency for the administration hereof.

8. "Delivery period" means the current marketing period from the first to, and including, the fifteenth day of each month, and from the sixteenth to, and including, the last day of each month.

9. "Base" means a quantity of milk for each producer, including a handler who is also a producer, determined pursuant to section 4 of article VII.

ARTICLE II -- MARKET ADMINISTRATOR

Section 1. Selection, Removal and Bond. The Market Administrator shall be selected, and shall be subject to removal at any time, by the Secretary. Within forty-five (45) days following the date upon which he enters upon his duties, the Market Administrator shall execute and deliver to the Secretary a bond in an amount and with surety thereon satisfactory to the Secretary, conditioned upon the faithful performance of his duties.

Sec. 2. Compensation. The Market Administrator shall be entitled to such reasonable compensation as may be determined by the Secretary.

Sec. 3. Powers. The Market Administrator shall have power:

1. To administer the terms and provisions hereof;
2. To receive, investigate, and report to the Secretary complaints of violations of the terms and provisions hereof; and
3. To maintain a suit in his own name against any handler for the collection of such handler's pro rata share of expenses as set forth in section 1 of article X.

Sec. 4. Duties. The Market Administrator, in addition to the duties hereinafter described, shall:

1. Keep such books and records, subject to examination by the Secretary at any and all times, as will clearly reflect the transactions provided for herein;
2. Furnish such information and such verified reports as the Secretary may request;
3. Obtain a bond with reasonable security thereon from each employee who handles funds entrusted to the Market Administrator;
4. Publicly disclose to handlers and producers, unless otherwise directed by the Secretary, the name of any person who, within fifteen days after the date upon which he is required to perform such acts, has not (a) furnished security pursuant to article XI, (b) made reports pursuant to article V, or (c) made payments pursuant to article VIII;
5. Employ and fix the compensation of such persons as may be necessary to enable him to administer the terms and provisions hereof; and
6. Pay out of the funds provided by article X (a) the cost of his bond and of the bonds of such of his employees, as handle funds entrusted to the Market Administrator, (b) his own compensation, and (c) all other expenses which will necessarily be incurred by him for the maintenance and functioning of his office and the performance of his duties.

Sec. 5. Responsibility. The Market Administrator shall not be held responsible in any way whatsoever to any handler, or any other person, for errors in judgment, mistakes, or other acts either of commission or omission, as such Market Administrator, except for his wilful misfeasance or malfeasance, or dishonesty.

ARTICLE III - CLASSIFICATION OF MILK

Section 1. Sales and Use Classification. Milk purchased or handled by handlers shall be classified as follows:

1. All milk sold or distributed for consumption as milk, chocolate milk or flavored milk shall be Class I milk; and

2. All milk purchased, sold or used in excess of Class I milk shall be Class II milk.

Sec. 2. Inter-handler Sales. Milk sold by a handler to another handler shall be presumed to be Class I milk: Provided, That, if such selling handler, on or before the date fixed for filing reports pursuant to article V, shall furnish proof satisfactory to the Market Administrator that such milk has been sold or used by the purchasing handler other than as Class I milk, then, and in that event, such milk shall be classified as Class II milk.

Sec. 3. Delivery of Class I Milk. The milk which was sold or distributed by each handler as Class I milk shall be presumed to have been that milk which was delivered to such handler at plants within and nearest to the Marketing Area.

ARTICLE IV -- MINIMUM PRICES

Section 1. Class I Prices. Each handler shall pay producers at the time and in the manner set forth in article VIII, for Class I milk containing 3.7 percent butterfat, subject to the butterfat differentials set forth in section 3 of article VIII, not less than the following prices:

1. In the case of milk delivered through a cooperative association to such handler's plant located not more than forty (40) miles from State House in Boston, \$3.05 per hundredweight;

2. In the case of milk delivered through a cooperative association, to a railroad delivery point not more than forty (40) miles from the State House in Boston, \$3.00 per hundredweight;

3. In the case of milk delivered from producers' farms to the plant of such handler located not more than forty (40) miles from the State House in Boston, \$3.00 per hundredweight; and

4. In the case of milk delivered from producers' farms to the plant of such handler located more than forty (40) miles from the State House in Boston, \$2.74 per hundredweight less an amount per hundredweight equal to the freight (considering 85 pounds of milk per can) according to the tariff currently approved by the Interstate Commerce Commission for the transportation in carload lots, of milk in 40-quart cans, to Boston from the zone of location of such handler's plant.

Sec. 2. Class II Prices. Each handler shall pay producers, at the time and in the manner set forth in article VIII, for Class II milk containing 3.7 percent butterfat subject to the butterfat differential set forth in section 3 of article VIII, not less than the following prices:

1. In the case of milk delivered to a handler's plant located not more than forty (40) miles from the State House in Boston the price which the Market Administrator shall calculate as follows: Divide by 33 the weighted average price per forty-quart can of bottling cream in the Boston market, as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, multiply the result by 3.7, add 12 cents and subtract 23-1/4 cents;

2. In the case of milk delivered to a handler's plant located more than forty (40) miles from the State House in Boston the price calculated by the Market Administrator pursuant to paragraph 1 of this section, minus 6 cents.

Sec. 3. Sales Outside the Marketing Area. The price to be paid to producers by a handler for Class I milk sold outside the Marketing Area, in lieu of the price otherwise applicable pursuant to this article, shall be such price as the Market Administrator ascertains is being paid in the market, where such milk is sold, by processors for milk of equivalent use, subject to a reasonable adjustment on account of transportation from the plant where such milk is received from producers to the plant where such milk is loaded on wholesale and retail routes.

Sec. 4. Publication of Class II Price. On or before the fifth day after the end of each delivery period, the Market Administrator shall publicly announce the Class II price in effect for such delivery period.

ARTICLE V --- REPORTS OF HANDLERS

Section 1. Periodic Reports. On or before the eighth day after the end of each delivery period each handler shall, with respect to milk or cream which was, during such delivery period, (a) received from producers, (b) received from handlers, and (c) produced by such handler, report to the Market Administrator in the detail and form prescribed by the Market Administrator, as follows:

1. The receipts at each plant from producers, who are not handlers, and the quantity of such receipts which is the total of all milk delivered in excess of the respective bases of such producers individually;
2. The receipts at each plant from any other handler, including any handler who is also a producer;
3. The quantity, if any, produced by such handler; and
4. The total quantities of milk which were sold, distributed or used, including sales to other handlers, in each class set forth in article III.

Sec. 2. Reports as to Producers. Each handler shall report

to the Market Administrator:

1. Within ten (10) days after the Market Administrator's request with respect to any producer, for whom such information is not in the files of the Market Administrator, and with respect to a period or periods of time designated by the Market Administrator, (a) the name and address, (b) the total pounds of milk delivered, (c) the average butterfat test of milk delivered, and (d) the number of days upon which deliveries were made; and

2. As soon as possible after first receiving milk from any producer, (a) the name and address of such producer, (b) the date upon which such milk was first received, and (c) the plant at which such producer delivered milk.

Sec. 3. Reports of Payments to Producers. Each handler shall submit to the Market Administrator within thirty (30) days after the end of each delivery period his producer payroll for such delivery period which shall show for each producer (a) the net amount of such producer's payment, with the prices, deductions and charges involved, (b) the total delivery of milk with the average butterfat test thereof, and (c) the portion of such delivery which was in excess of the base of such producer.

Sec. 4. Outside Cream Purchases. Each handler shall report, as requested by the Market Administrator, his purchases, if any, of bottling quality cream in carload lots from handlers who receive no milk from producers, showing the quantity and the source of each such purchase, and the price paid at Boston.

Sec. 5. Verification of Reports. In order that the Market Administrator may submit verified reports to the Secretary pursuant to paragraph 2 of section 4 of article II, each handler shall permit the Market Administrator or his agent, during the usual hours of business, to (a) verify the information contained in reports submitted in accordance with this article, and (b) sample, weigh, and test milk for butterfat.

ARTICLE VI -- HANDLERS WHO ARE ALSO PRODUCERS

Section 1. Application of Provisions. No provision hereof shall apply to a handler who is also a producer and who purchases no milk from producers, except that such handler shall make the reports prescribed in article V at the request of the Market Administrator.

Sec. 2. Milk Purchased from Producers. In the case of a handler who is also a producer and purchases milk from producers, the Market Administrator shall, in the computations set forth in article VII, exclude the milk purchased by him in each class from other handlers and apportion the milk purchased by him from producers to each class according to the ratio which his remaining total sales in each class bears to his remaining total sales in all classes.

ARTICLE VII -- DETERMINATION OF UNIFORM PRICES TO PRODUCERS

Section 1. Computation of Value of Milk for Each Handler. For each delivery period the Market Administrator shall compute, subject to the provisions of article VI, the value of milk sold or used by each handler, which was not purchased from other handlers, by (a) multiplying the quantity of such milk in each Class by the price applicable pursuant to article IV and (b) adding together the resulting value of each Class.

Sec. 2. Computation and Announcement of Uniform Prices. The Market Administrator shall compute and announce the uniform prices per hundredweight of milk delivered during each delivery period as follows:

1. Combine into one total the respective values of milk, computed pursuant to section 1 of this article, for each handler who made payments, pursuant to article VIII, for milk received during the previous delivery period;
2. Add the total net amount of the differentials applicable pursuant to section 4 of article VIII;
3. Subtract the total amount to be paid to producers pursuant to paragraphs 2, 3 and 4 of section 1 of article VIII;
4. Divide by the total quantity of milk which is not in excess of the bases of producers whose farms are located more than forty miles from the State House in Boston, and which is included in these computations;
5. Subtract not less than 4 cents nor more than 5 cents per hundredweight of milk for the purpose of retaining a cash balance in connection with the payments set forth in paragraph 5 of section 1 of article VIII;
6. Add an amount per hundredweight of milk which will prorate any cash balance available pursuant to section 3 of this article; and
7. On or before the 12th day after the end of each delivery period, notify all handlers, and make public announcement of these computations, of the blended price per hundredweight which is the result, and of the Class II price.

Sec. 3. Proration of Cash Balance. For each delivery period, the Market Administrator shall prorate, by an appropriate addition pursuant to section 2 of this article, the cash balance, if any, in his hands (a) from payments, except those provided for in articles IX and X, made during the delivery period next preceding but one, and (b) from payments in arrears collected by means of the security furnished pursuant to article XI, and otherwise.

Sec. 4. Base Rating. For the purpose of adjustment, equitably to apportion, according to production during a representative period

of time, the total value of milk for each delivery period, the Market Administrator shall record for each producer a base which shall be a quantity of milk determined as follows:

1. Except as set forth in paragraph 2 of this section, the base of each producer shall be:

a. From the effective date hereof until March 31, 1937, that figure which is highest of the following six calculations with respect to the deliveries of milk in bulk to handlers from the farm of such producer: the average delivery of milk per day during the quarter in which deliveries were lowest, respectively, in the calendar year 1933, the calendar year 1934 and the year ended September 30, 1935; and 75 percent of the average delivery of milk per day, respectively, during the calendar year 1933, the calendar year 1934 and the year ended September 30, 1935.

b. From April 1, 1937 to March 31, 1938, that figure which is higher of the following two calculations with respect to the deliveries of milk in bulk to handlers from the farm of such producer: (a) the average delivery of milk per day during the three calendar months of the calendar year 1936 in which deliveries of milk were lowest; and (b) 60 percent of the average delivery of milk per day throughout the calendar year 1936.

c. For the year beginning April 1, 1938, and for each year thereafter beginning April 1, that figure which is higher of the two following calculations with respect to the deliveries of milk in bulk to handlers from the farm of such producer: (a) the average delivery of milk per day during the three months of the next preceding calendar year in which deliveries were lowest; and (b) 40 percent of the average delivery of milk per day throughout the next preceding calendar year.

2. The base of any producer who did not regularly sell milk for a period of thirty days prior to the effective date hereof, to a handler or to persons within the Marketing Area, shall be, for the remainder of the then current calendar year, the percentage of his averaged delivery of milk per day during the period when he receives the Class II price pursuant to paragraph 4 of section 1 of article VIII, which is the relationship between (a) the total deliveries of all producers not in excess of their bases during such period, and (b) the total deliveries of all producers.

3. In the case of a producer who has purchased the farm of a producer for whom a base is recorded, the Market Administrator shall transfer such base to the name of the producer who purchased the farm.

ARTICLE VIII -- PAYMENTS FOR MILK

Section 1. Time and Method of Payment. On or before the 25th day after the end of each delivery period, each handler shall make payments for the total value, subject to the butterfat differential set forth in section 3 of this article, of milk received during such delivery period, as follows:

1. To producers, except as set forth in paragraph 2 of this section, at the blended price per hundredweight computed pursuant to section 2 of article VII, subject to the differentials set forth in paragraphs 1 and 2 of section 4 of this article, for that quantity of milk delivered by each producer not in excess of the base of such producer;

2. To any producer, whose farm is located within forty miles of the State House in Boston and who delivers milk to such handler at a plant located within forty miles of the State House in Boston, at \$3.00 per hundredweight for that quantity of milk delivered by such producer not in excess of the base of such producer;

3. To producers, at the Class II price, subject to the differential set forth in paragraph 2 of section 4 of this article, for that quantity of milk delivered by each producer in excess of his base;

4. To any producer, who did not regularly sell milk for a period of thirty days prior to the effective date hereof to a handler or to persons within the Marketing Area, at the Class II price, subject to the differential set forth in paragraph 2 of section 4 of this article, for all the milk delivered by such producer during the period beginning with the first regular delivery of such producer and continuing until the end of two full calendar months following the first day of the next succeeding calendar month;

5. To producers, through the Market Administrator, by paying to or receiving from, the Market Administrator, as the case may be, the amount by which the payments made pursuant to paragraphs 1, 2, 3 and 4 of this section, are less than, or exceed, the value of milk computed for each handler pursuant to section 2 of article VII, as shown in a statement rendered by the Market Administrator on or before the 20th day after the end of such delivery period.

Sec. 2. Errors in Payments. Errors in making any of the payments prescribed in this article shall be corrected not later than the date for making payments next following the determination of such errors.

Sec. 3. Butterfat Differential. If any producer has delivered to any handler during any delivery period milk having an average butterfat content other than 3.7 percent, such handler shall pay to such producer for each one-tenth of one percent of average butterfat content above 3.7 percent or shall deduct for each one-tenth of one percent of average butterfat content below 3.7 percent an amount per hundredweight which shall be calculated by the Market Administrator as follows: Divide by 35 the weighted average price per forty-quart can of bottling quality cream in the Boston market as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, subtract 8 cents and divide the result by 10.

Sec. 4. Country Station Differentials. The payments to be made to producers by handlers pursuant to section 1 of this article shall be subject to differentials as follows:

1. With respect to the quantity of milk which is not in excess

of his base, delivered by a producer to a handler's plant located more than forty miles from the State House in Boston, there shall be deducted an amount per hundredweight equal to the freight (considering 85 pounds of milk per can), according to the tariff currently approved by the Interstate Commerce Commission for the transportation, in carload lots of milk in 40-quart cans, to Boston from the zone of location of the handler's plant.

2. With respect to the quantity of milk which is not in excess of his base, delivered by a producer, whose farm is located more than forty miles from the State House in Boston, to a handler's plant located not more than forty miles from the State House in Boston, there shall be added 26 cents per hundredweight.

3. With respect to the quantity of milk delivered by a producer, which is in excess of his base, at the plant of a handler located more than forty miles from the State House in Boston, there shall be deducted six (6) cents per hundredweight.

ARTICLE IX -- MARKETING SERVICES

Section 1. Deductions for Marketing Services. Except as set forth in section 2, each handler shall deduct five (5) cents per hundredweight from the payments made direct to producers pursuant to article VIII with respect to all milk delivered to such handler during each delivery period by producers and shall pay such deductions to the Market Administrator on or before the 25th day after the end of such delivery period. Such monies shall be expended by the Market Administrator for market information to, and for verification of weights, sampling and testing of milk purchased from, said producers.

Sec. 2. Producers' Cooperative Association. In the case of producers for whom a cooperative association, which the Secretary determines to be qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act", and to be actually performing the services set forth in section 1 of this article, each handler shall make the deductions from the payments to be made pursuant to paragraphs 1, 2 and 3 of section 1 of article VIII which are authorized by such producers and, on or before the 25th day after the end of each delivery period, pay over such deductions to the association of which such producers are members.

ARTICLE X -- EXPENSE OF ADMINISTRATION

Section 1. Payments by Handlers. As his pro rata share of the expense of the administration hereof, each handler, except as set forth in section 1 of article VI shall, on or before the 25th day after the end of each delivery period, pay to the Market Administrator a sum not exceeding two (2) cents per hundredweight with respect to all milk delivered to him during such delivery period by producers or an association of producers or produced by him, the exact amount to be determined by the Market Administrator subject to review by the Secretary: Provided, That each handler, which is a cooperative association of producers,

shall pay such pro rata share of expense of administration only on that milk received from producers and processed by such association.

ARTICLE XI -- ASSURANCE OF, AND SECURITY FOR, PAYMENTS TO PRODUCERS

Section 1. Amount. Each handler who purchases milk from producers or an association of producers shall, not less than ten (10) days before he is required to make his first payments pursuant to article VIII, furnish to the Market Administrator security, in manner and form satisfactory to the Secretary, and payable, to the Market Administrator, as assurance of, and security for, payments to be made by such handler pursuant to article VIII, in such amount as will equal the value of the milk purchased by such handler during a period of time equivalent to a delivery period. In the event that the value of milk purchased by such handler for each of three consecutive delivery periods exceeds or is less than the amount of security furnished, and made payable, to the Market Administrator, such handler shall increase or decrease the security so that said security shall equal an amount not less than one-third of the total value of milk purchased during said three delivery periods.

Sec. 2. Bonds under State Statute. If, pursuant to a State statute, any handler has furnished the duly constituted authority charged with the duty of administering the applicable provisions of such statute, a bond or other security, a part or all of which is allocable to, and assures any part of, the payments to be made to producers, such handler shall furnish to the Market Administrator, in manner and form satisfactory to the Market Administrator, security in such amount as will, when added to such allocable and otherwise conditioned amount of security furnished pursuant to such State statute, equal the amount of security required under section 1.

Sec. 3. Payments to Producers. In the event that a handler has failed to make payments, pursuant to article VIII, the Market Administrator shall, within fifteen (15) days after such failure, send by registered mail to each producer or association of producers a form for the submittal of proof of claim against such handler. Upon the receipt of such proof of claim, properly notarized, the Market Administrator shall audit such claim and in addition cause to be audited his claim, if any, as Market Administrator against such handler, and thereupon shall determine the total payments due from such handler.

Within fifteen (15) days after the determination of the amount of said payments, the Market Administrator shall make demand by registered letter upon such handler and upon his surety, if any, for the total payments. If at the expiration of fifteen (15) days from such notice, the handler, or his surety, has not satisfied such claim, the Market Administrator shall, by conversion, sale, or suit, make available the amount realizable from the security furnished the Market Administrator, and make distribution to the claimant or claimants in accordance with proofs filed, either ratably or in full, as the case may be.

If the amount realized from the security is more than sufficient to pay all claims, the balance arising therefrom shall be returned to such handler or the surety entitled thereto as the case may be.

Sec. 4. Release. In the event that a handler shall cease to buy milk from producers, and shall furnish proof of such cessation to the Market Administrator, the Market Administrator shall, within thirty (30) days after receipt of such proof, return the security furnished pursuant to this article.

ARTICLE XII -- RESPONSIBILITY

Section 1. Handlers. The liability of the handlers hereunder is several and not joint and no handler shall be liable for the default of any other handler.

ARTICLE XIII - SEPARABILITY

Section 1. Separability. If any provision of this Agreement is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder of this Agreement and/or the applicability thereof to any other person, circumstance or thing shall not be affected thereby.

ARTICLE XIV -- DEROGATION

Section 1. Derogation. Nothing contained in this Agreement is or shall be construed to be in derogation or in modification of the rights of the Secretary or of the United States; (a) to exercise any powers granted by the Act or otherwise, and/or (b) in accordance with such powers to act in the premises whenever such action is deemed advisable.

ARTICLE XV -- ANTI-TRUST LAWS

Section 1. Anti-trust Laws. Any exemption from the anti-trust laws and/or any validation of any acts or things, which otherwise would have been unlawful, which may result from the execution of this Agreement by the Secretary, shall not extend or be construed to extend further than is absolutely necessary for the purpose of carrying out the provisions of this Agreement.

ARTICLE XVI -- DURATION OF IMMUNITIES

Section 1. Duration of Immunities. The benefits, privileges, and immunities conferred by virtue of this Agreement shall cease upon its termination, except with respect to acts done under and during the existence of this Agreement, and benefits, privileges, and immunities conferred by this Agreement upon any parties signatory hereto shall cease upon its termination as to such party, except with respect to acts done under and during the existence of this Agreement.

ARTICLE XVII -- AGENTS

Section 1. Agents. The Secretary may, by a designation in

writing, name any person (not a party to this Agreement) including any officer or employee of the Government, or name any Bureau or Division in the Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this Agreement.

ARTICLE XVIII -- ORDER WITH MARKETING AGREEMENT

Section 1. Request for Order. Each signatory handler hereby requests the Secretary to issue an Order pursuant to the Act regulating the handling of milk in the Marketing Area, in the same manner as provided in this Agreement.

ARTICLE XIX -- ADDITIONAL PARTIES AND COUNTERPARTS

Section 1. Additional Parties. After this Agreement first takes effect, any handler may become a party to this Agreement if a counterpart thereof is executed by him, and by the Secretary. This Agreement shall take effect, as to such handler, at such time as the Secretary may declare above his signature attached to such counterpart, and the benefits, privileges and immunities conferred by this Agreement shall then be effective as to such handler.

Sec. 2. Counterparts. This Agreement may be executed in multiple counterparts, and when one counterpart is signed by the Secretary, all such counterparts shall constitute, when taken together, one and the same instrument as if all such signatures were obtained in one original.

ARTICLE XX -- AMENDMENTS

Section 1. Proposals. Amendments to this Agreement may, from time to time, be proposed by any party hereto.

Sec. 2. Hearing and Approval. After due notice and hearing and upon the execution of the proposed amendments by 50 percent or more handlers, who, during the month preceding the execution of said amendment or amendments, handled not less than 50 percent of the milk handled in the Marketing Area, the Secretary may approve such amendments, which shall be effective as provided in article XXII.

ARTICLE XXI -- EFFECTIVE TIME AND TERMINATION SUSPENSION

Section 1. Effective Time. This Agreement shall become effective at such time as the Secretary may declare above his signature attached hereto, and shall continue in force until terminated in one of the ways hereinafter specified.

Sec. 2. Suspension. The Secretary may at any time suspend this Agreement, or any provision thereof, as to any or all parties thereto by giving at least one (1) day's notice by means of a press release, or in any other manner which the Secretary may determine.

Sec. 3. Termination. 1. The Secretary may at any time terminate this Agreement or any provision thereof as to all parties hereto by giving at least one (1) day's notice by means of a press release or in any other manner which the Secretary may determine.

2. The Secretary may at any time terminate this Agreement as to any party signatory hereto by giving at least one (1) day's notice by depositing the same in the mail and addressed to such party at his last known address.

3. The Secretary shall terminate this Agreement at the end of any delivery period whenever he finds that such termination is favored by a majority of the producers of milk who, during the preceding delivery period, have been engaged in the production for market of milk in the Marketing Area: Provided, That such majority have during such period produced for market more than fifty (50) percent of the volume of such milk produced for market within said Marketing Area, but such termination shall be effective only if announced on or before the fifth day prior to the end of such delivery period.

4. This Agreement shall in any event terminate whenever the provisions of the Act authorizing it cease to be in effect.

Sec. 4. Effect. Unless otherwise provided by the Secretary in the notice of amendment, termination or suspension, of any or all provisions hereof, the amendment, termination or suspension shall not: (a) affect, waive, or terminate any right, duty, obligation or liability which shall have arisen or may thereafter arise in connection with any provision of this Agreement; (b) release or waive any violation of this Agreement occurring prior to the effective date of such amendment, termination or suspension; or (c) affect or impair any rights or remedies of the Secretary, or of any other person with respect to any such violation.

Sec. 5. Continuing Power and Duty. If, upon the termination or suspension of this Agreement, there are any obligations arising thereunder, the final accrual or ascertainment of which requires further acts by any party thereto, or by the Market Administrator hereunder, or by any other person, the power and/or duty to perform such further acts shall continue notwithstanding such termination or suspension: Provided, That any such acts required under the terms of this Agreement shall be performed by the Market Administrator, functioning at the effective time of such termination or suspension, or, if the Secretary shall so direct, by such other person, persons or agency, as the Secretary may designate.

Sec. 6. Upon the termination or suspension of this Agreement or of any provision thereof, the Market Administrator then functioning, or such person as the Secretary may designate shall, if so directed by the Secretary, liquidate the business of the Market Administrator's office, and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid and owing at the time of such termination or suspension.

The Market Administrator, or such other person as the Secretary may designate: (a) shall continue in such capacity until discharged by the Secretary; (b) from time to time, account for all receipts and disbursements and/or deliver all funds or property on hand, together with the books and records of the Market Administrator, or such person,

to such person as the Secretary shall direct; and (c) if so directed by the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property and/or claims vested in the Market Administrator or such person pursuant to this Agreement.

Any funds collected for expenses pursuant to the provisions of this Agreement shall be held by the Market Administrator or such person, over and above the amounts necessary to meet outstanding obligations, and the expenses necessarily incurred, by the Market Administrator or such person, in liquidating the business of the Market Administrator's office, shall be distributed to the contributing handlers and/or producers in an equitable manner.

ARTICLE XXII — SIGNATURES OF PARTIES

IN WITNESS WHEREOF,

the contracting parties, acting under the provisions of the Agricultural Adjustment Act, as amended, for the purposes and subject to the limitations herein contained, and not otherwise, have hereunto set their respective hands and seals, this day of , 1935.

PROPOSED ORDER REGULATING THE HANDLING OF
MILK IN THE GREATER BOSTON, MASSACHUSETTS
MARKETING AREA

WHEREAS, it is provided in Section 8 (c) of the Agricultural Adjustment Act approved May 12, 1933, as amended (hereinafter called the Act), as follows:

"(1) The Secretary of Agriculture shall, subject to the provisions of this section, issue, and from time to time amend orders applicable to processors, associations of producers, and others engaged in the handling of any agricultural commodity or product thereof specified in subsection (2) of this section. Such persons are referred to in this title as 'handlers.' Such orders shall regulate in the manner hereinafter in this section provided, only such handling of such agricultural commodity, or product thereof, as is in the current of interstate or foreign commerce, or which directly burdens, obstructs, or affects, interstate or foreign commerce in such commodity or product thereof."

And

WHEREAS, the Secretary of Agriculture, having reason to believe that the issuance of an order would tend to effectuate the declared policy of Title I of the Act with respect to the handling of milk in the Greater Boston, Massachusetts, Marketing Area, did on the day of , 1935, give notice of a hearing to be held on the day of , 1935, on a proposed order regulating the handling of said commodity, and did at the same time and place conduct a public hearing thereon at which all interested parties were afforded an opportunity to be heard on the said proposed order;

And

WHEREAS, the Secretary finds: (here insert specific findings)

Now, therefore, it is ordered by the Secretary acting under the authority vested in him as aforesaid, that the handling of said milk in the current of interstate or foreign commerce, or so as directly to burden, obstruct, or affect interstate or foreign commerce in such milk, from and after the date herein specified by the Secretary, shall be in conformity to and in compliance with the terms and conditions of this Order.

ARTICLE I -- DEFINITIONS

Section . Terms. The following terms shall have the following meanings:

1. "Act" means the Agricultural Adjustment Act approved May 12, 1933, as amended.

2. "Secretary" means the Secretary of Agriculture of the United States.

3. "Greater Boston Marketing Area," hereinafter called the "Marketing Area," means the territory included within the boundary lines of the cities and towns of Arlington, Belmont, Beverly, Boston, Braintree, Brookline, Cambridge, Chelsea, Dedham, Everett, Lexington, Lynn, Malden, Marblehead, Medford, Melrose, Milton, Nahant, Needham, Newton, Peabody, Quincy, Reading, Revere, Salem, Saugus, Somerville, Stoneham, Swampscott, Wakefield, Waltham, Watertown, Wellesley, Weymouth, Winchester, Winthrop, and Woburn, Massachusetts.

4. "Person" means any individual, partnership, corporation, association, and any other business unit.

5. "Producer" means any person, irrespective of whether any such person is also a handler, who produces milk in conformity with the health requirements applicable for milk to be sold for consumption as milk in the Marketing Area.

6. "Handler" means any person, irrespective of whether such person is a producer or an association of producers, wherever located or operating, who engages in such handling of milk, which is sold as milk or cream in the Marketing Area, as is in the current of interstate or foreign commerce, or which directly burdens, obstructs, or affects interstate or foreign commerce in milk and its products.

7. "Market Administrator" means the person designated pursuant to article II as the agency for the administration hereof.

8. "Delivery period" means the current marketing period from the first to, and including, the fifteenth day of each month, and from the sixteenth to, and including, the last day of each month.

9. "Base" means a quantity of milk for each producer, including a handler who is also a producer, determined pursuant to section 4 of article VII.

ARTICLE II -- MARKET ADMINISTRATOR

Section 1. Selection, Removal and Bond. The Market Administrator shall be selected, and shall be subject to removal at any time, by the Secretary. Within forty-five (45) days following the date upon which he enters upon his duties, the Market Administrator shall execute and deliver to the Secretary a bond in an amount and with surety thereon satisfactory to the Secretary, conditioned upon the faithful performance of his duties.

Sec. 2. Compensation. The Market Administrator shall be entitled to such reasonable compensation as may be determined by the Secretary.

Sec. 3. Powers. The Market Administrator shall have power:

1. To administer the terms and provisions hereof;
2. To receive, investigate, and report to the Secretary complaints of violations of the terms and provisions hereof; and
3. To maintain a suit in his own name against any handler for the collection of such handler's pro rata share of expenses as set forth in section 1 of article X.

Sec. 4. Duties. The Market Administrator, in addition to the duties hereinafter described, shall:

1. Keep such books and records, subject to examination by the Secretary at any and all times, as will clearly reflect the transactions provided for herein;
2. Furnish such information and such verified reports as the Secretary may request;
3. Obtain a bond with reasonable security thereon from each employee who handles funds entrusted to the Market Administrator;
4. Publicly disclose to handlers and producers, unless otherwise directed by the Secretary, the name of any person who, within fifteen days after the date upon which he is required to perform such acts, has not (a) furnished security pursuant to article XI, (b) made reports pursuant to article V, or (c) made payments pursuant to article VIII;
5. Employ and fix the compensation of such persons as may be necessary to enable him to administer the terms and provisions hereof; and
6. Pay out of the funds provided by article X (a) the cost of his bond and of the bonds of such of his employees, as handle funds entrusted to the Market Administrator, (b) his own compensation, and (c) all other expenses which will necessarily be incurred by him for the maintenance and functioning of his office and the performance of his duties.

Sec. 5. Responsibility. The Market Administrator shall not be held responsible in any way whatsoever to any handler, or any other person, for errors in judgment, mistakes, or other acts either of commission or omission, as such Market Administrator, except for his wilful misfeasance or malfeasance, or dishonesty.

ARTICLE III - CLASSIFICATION OF MILK

Section 1. Sales and Use Classification. Milk purchased or handled by handlers shall be classified as follows:

1. All milk sold or distributed for consumption as milk, chocolate milk or flavored milk shall be Class I milk; and

2. All milk purchased, sold or used in excess of Class I milk shall be Class II milk.

Sec. 2. Inter-handler Sales. Milk sold by a handler to another handler shall be presumed to be Class I milk; Provided, That, if such selling handler, on or before the date fixed for filing reports pursuant to article V, shall furnish proof satisfactory to the Market Administrator that such milk has been sold or used by the purchasing handler other than as Class I milk, then, and in that event, such milk shall be classified as Class II milk.

Sec. 3. Delivery of Class I Milk. The milk which was sold or distributed by each handler as Class I milk shall be presumed to have been that milk which was delivered to such handler at plants within and nearest to the Marketing Area.

ARTICLE IV -- MINIMUM PRICES

Section 1. Class I Prices. Each handler shall pay producers at the time and in the manner set forth in article VIII, for Class I milk containing 3.7 percent butterfat, subject to the butterfat differentials set forth in section 3 of article VIII, not less than the following prices:

1. In the case of milk delivered through a cooperative association to such handler's plant located not more than forty (40) miles from State House in Boston, \$3.05 per hundredweight;

2. In the case of milk delivered through a cooperative association, to a railroad delivery point not more than forty (40) miles from the State House in Boston, \$3.00 per hundredweight;

3. In the case of milk delivered from producers' farms to the plant of such handler located not more than forty (40) miles from the State House in Boston, \$3.00 per hundredweight; and

4. In the case of milk delivered from producers' farms to the plant of such handler located more than forty (40) miles from the State House in Boston, \$2.74 per hundredweight less an amount per hundredweight equal to the freight (considering 85 pounds of milk per can) according to the tariff currently approved by the Interstate Commerce Commission for the transportation in carload lots, of milk in 40-quart cans, to Boston from the zone of location of such handler's plant.

Sec. 2. Class II Prices. Each handler shall pay producers, at the time and in the manner set forth in article VIII, for Class II milk containing 3.7 percent butterfat subject to the butterfat differential set forth in section 3 of article VIII, not less than the following prices:

1. In the case of milk delivered to a handler's plant located not more than forty (40) miles from the State House in Boston the price which the Market Administrator shall calculate as follows: Divide by 33 the weighted average price per forty-quart can of bottling cream in the Boston market, as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, multiply the result by 3.7, add 12 cents and subtract $23\frac{1}{4}$ cents;

2. In the case of milk delivered to a handler's plant located more than forty (40) miles from the State House in Boston the price calculated by the Market Administrator pursuant to paragraph 1 of this section, minus 6 cents.

Sec. 3. Sales Outside the Marketing Area. The price to be paid to producers by a handler for Class I milk sold outside the Marketing Area, in lieu of the price otherwise applicable pursuant to this article, shall be such price as the Market Administrator ascertains is being paid in the market, where such milk is sold, by processors for milk of equivalent use, subject to a reasonable adjustment on account of transportation from the plant where such milk is received from producers to the plant where such milk is loaded on wholesale and retail routes.

Sec. 4. Publication of Class II Price. On or before the fifth day after the end of each delivery period, the Market Administrator shall publicly announce the Class II price in effect for such delivery period.

ARTICLE V --- REPORTS OF HANDLERS

Section 1. Periodic Reports. On or before the eighth day after the end of each delivery period each handler shall, with respect to milk or cream which was, during such delivery period, (a) received from producers, (b) received from handlers, and (c) produced by such handler, report to the Market Administrator in the detail and form prescribed by the Market Administrator, as follows:

1. The receipts at each plant from producers, who are not handlers, and the quantity of such receipts which is the total of all milk delivered in excess of the respective bases of such producers individually;
2. The receipts at each plant from any other handler, including any handler who is also a producer;
3. The quantity, if any, produced by such handler; and
4. The total quantities of milk which were sold, distributed or used, including sales to other handlers, in each class set forth in article III.

Sec. 2. Reports as to Producers. Each handler shall report

to the Market Administrator:

1. Within ten (10) days after the Market Administrator's request with respect to any producer, for whom such information is not in the files of the Market Administrator, and with respect to a period or periods of time designated by the Market Administrator, (a) the name and address, (b) the total pounds of milk delivered, (c) the average butterfat test of milk delivered, and (d) the number of days upon which deliveries were made; and

2. As soon as possible after first receiving milk from any producer, (a) the name and address of such producer, (b) the date upon which such milk was first received, and (c) the plant at which such producer delivered milk.

Sec. 3. Reports of Payments to Producers. Each handler shall submit to the Market Administrator within thirty (30) days after the end of each delivery period his producer payroll for such delivery period which shall show for each producer (a) the net amount of such producer's payment, with the prices, deductions and charges involved, (b) the total delivery of milk with the average butterfat test thereof, and (c) the portion of such delivery which was in excess of the base of such producer.

Sec. 4. Outside Cream Purchases. Each handler shall report, as requested by the Market Administrator, his purchases, if any, of bottling quality cream in carload lots from handlers who receive no milk from producers, showing the quantity and the source of each such purchase, and the price paid at Boston.

Sec. 5. Verification of Reports. In order that the Market Administrator may submit verified reports to the Secretary pursuant to paragraph 2 of section 4 of article II, each handler shall permit the Market Administrator or his agent, during the usual hours of business, to (a) verify the information contained in reports submitted in accordance with this article, and (b) sample, weigh, and test milk for butterfat.

ARTICLE VI - HANDLERS WHO ARE ALSO PRODUCERS

Section 1. Application of Provisions. No provision hereof shall apply to a handler who is also a producer and who purchases no milk from producers, except that such handler shall make the reports prescribed in article V at the request of the Market Administrator.

Sec. 2. Milk Purchased from Producers. In the case of a handler who is also a producer and purchases milk from producers, the Market Administrator shall, in the computations set forth in article VII, exclude the milk purchased by him in each class from other handlers and apportion the milk purchased by him from producers to each Class according to the ratio which his remaining total sales in each Class bears to his remaining total sales in all Classes.

ARTICLE VII -- DETERMINATION OF UNIFORM PRICES TO PRODUCERS

Section 1. Computation of Value of Milk for Each Handler.

For each delivery period the Market Administrator shall compute, subject to the provisions of article VI, the value of milk sold or used by each handler, which was not purchased from other handlers, by (a) multiplying the quantity of such milk in each Class by the price applicable pursuant to article IV and (b) adding together the resulting value of each Class.

Sec. 2. Computation and Announcement of Uniform Prices.

The Market Administrator shall compute and announce the uniform prices per hundredweight of milk delivered during each delivery period as follows:

1. Combine into one total the respective values of milk, computed pursuant to section 1 of this article, for each handler who made payments, pursuant to article VIII, for milk received during the previous delivery period;
2. Add the total net amount of the differentials applicable pursuant to section 4 of article VIII;
3. Subtract the total amount to be paid to producers pursuant to paragraphs 2, 3 and 4 of section 1 of article VIII;
4. Divide by the total quantity of milk which is not in excess of the bases of producers whose farms are located more than forty miles from the State House in Boston, and which is included in these computations;
5. Subtract not less than 4 cents nor more than 5 cents per hundredweight of milk for the purpose of retaining a cash balance in connection with the payments set forth in paragraph 5 of section 1 of article VIII;
6. Add an amount per hundredweight of milk which will prorate any cash balance available pursuant to section 3 of this article; and
7. On or before the 12th day after the end of each delivery period, notify all handlers, and make public announcement of these computations, of the blended price per hundredweight which is the result, and of the Class II price.

Sec. 3. Proration of Cash Balance. For each delivery period, the Market Administrator shall prorate, by an appropriate addition, pursuant to section 2 of this article, the cash balance, if any, in his hands (a) from payments, except those provided for in articles IX and X, made during the delivery period next preceding but one, and (b) from payments in arrears collected by means of the security furnished pursuant to article XI, and otherwise.

Sec. 4. Base Rating. For the purpose of adjustment, equitably to apportion, according to production during a representative period

of time, the total value of milk for each delivery period, the Market Administrator shall record for each producer a base which shall be a quantity of milk determined as follows:

1. Except as set forth in paragraph 2 of this section, the base of each producer shall be:

a. From the effective date hereof until March 31, 1937, that figure which is highest of the following six calculations with respect to the deliveries of milk in bulk to handlers from the farm of such producer: the average delivery of milk per day during the quarter in which deliveries were lowest, respectively, in the calendar year 1933, the calendar year 1934 and the year ended September 30, 1935; and 75 percent of the average delivery of milk per day, respectively, during the calendar year 1933, the calendar year 1934 and the year ended September 30, 1935.

b. From April 1, 1937 to March 31, 1938, that figure which is higher of the following two calculations with respect to the deliveries of milk in bulk to handlers from the farm of such producer: (a) the average delivery of milk per day during the three calendar months of the calendar year 1936 in which deliveries of milk were lowest; and (b) 60 percent of the average delivery of milk per day throughout the calendar year 1936.

c. For the year beginning April 1, 1938, and for each year thereafter beginning April 1, that figure which is higher of the two following calculations with respect to the deliveries of milk in bulk to handlers from the farm of such producer: (a) the average delivery of milk per day during the three months of the next preceding calendar year in which deliveries were lowest; and (b) 40 percent of the average delivery of milk per day throughout the next preceding calendar year.

2. The base of any producer who did not regularly sell milk for a period of thirty days prior to the effective date hereof, to a handler or to persons within the Marketing Area, shall be, for the remainder of the then current calendar year, the percentage of his averaged delivery of milk per day during the period when he receives the Class II price pursuant to paragraph 4 of section 1 of article VIII, which is the relationship between (a) the total deliveries of all producers not in excess of their bases during such period, and (b) the total deliveries of all producers.

3. In the case of a producer who has purchased the farm of a producer for whom a base is recorded, the Market Administrator shall transfer such base to the name of the producer who purchased the farm.

ARTICLE VIII -- PAYMENTS FOR MILK

Section 1. Time and Method of Payment. On or before the 25th day after the end of each delivery period, each handler shall make payments for the total value, subject to the butterfat differential set forth in section 3 of this article, of milk received during such delivery period, as follows:

1. To producers, except as set forth in paragraph 2 of this section, at the blended price per hundredweight computed pursuant to section 2 of article VII, subject to the differentials set forth in paragraphs 1 and 2 of section 4 of this article, for that quantity of milk delivered by each producer not in excess of the base of such producer;

2. To any producer, whose farm is located within forty miles of the State House in Boston and who delivers milk to such handler at a plant located within forty miles of the State House in Boston, at \$3.00 per hundredweight for that quantity of milk delivered by such producer not in excess of the base of such producer;

3. To producers, at the Class II price, subject to the differential set forth in paragraph 2 of section 4 of this article, for that quantity of milk delivered by each producer in excess of his base;

4. To any producer, who did not regularly sell milk for a period of thirty days prior to the effective date hereof to a handler or to persons within the Marketing Area, at the Class II price, subject to the differential set forth in paragraph 2 of section 4 of this article, for all the milk delivered by such producer during the period beginning with the first regular delivery of such producer and continuing until the end of two full calendar months following the first day of the next succeeding calendar month;

5. To producers, through the Market Administrator, by paying to or receiving from, the Market Administrator, as the case may be, the amount by which the payments made pursuant to paragraphs 1, 2, 3 and 4 of this section, are less than, or exceed, the value of milk computed for each handler pursuant to section 2 of article VII, as shown in a statement rendered by the Market Administrator on or before the 20th day after the end of such delivery period.

Sec. 2. Errors in Payments. Errors in making any of the payments prescribed in this article shall be corrected not later than the date for making payments next following the determination of such errors.

Sec. 3. Butterfat Differential. If any producer has delivered to any handler during any delivery period milk having an average butterfat content other than 3.7 percent, such handler shall pay to such producer for each one-tenth of one percent of average butterfat content above 3.7 percent or shall deduct for each one-tenth of one percent of average butterfat content below 3.7 percent an amount per hundredweight which shall be calculated by the Market Administrator as follows: Divide by 33 the weighted average price per forty-quart can of bottling quality cream in the Boston market as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, subtract 8 cents and divide the result by 10.

Sec. 4. Country Station Differentials. The payments to be made to producers by handlers pursuant to section 1 of this article shall be subject to differentials as follows:

1. With respect to the quantity of milk which is not in excess

of his base, delivered by a producer to a handler's plant located more than forty miles from the State House in Boston, there shall be deducted an amount per hundredweight equal to the freight (considering 85 pounds of milk per can), according to the tariff currently approved by the Interstate Commerce Commission for the transportation, in carload lots of milk in 40-quart cans, to Boston from the zone of location of the handler's plant.

2. With respect to the quantity of milk which is not in excess of his base, delivered by a producer, whose farm is located more than forty miles from the State House in Boston, to a handler's plant located not more than forty miles from the State House in Boston, there shall be added 26 cents per hundredweight.

3. With respect to the quantity of milk delivered by a producer, which is in excess of his base, at the plant of a handler located more than forty miles from the State House in Boston, there shall be deducted six (6) cents per hundredweight.

ARTICLE IX -- MARKETING SERVICES

Section 1. Deductions for Marketing Services. Except as set forth in section 2, each handler shall deduct five (5) cents per hundredweight from the payments made direct to producers pursuant to article VIII with respect to all milk delivered to such handler during each delivery period by producers and shall pay such deductions to the Market Administrator on or before the 25th day after the end of such delivery period. Such monies shall be expended by the Market Administrator for market information to, and for verification of weights, sampling and testing of milk purchased from, said producers.

Sec. 2. Producers' Cooperative Association. In the case of producers for whom a cooperative association, which the Secretary determines to be qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act", and to be actually performing the services set forth in section 1 of this article, each handler shall make the deductions from the payments to be made pursuant to paragraphs 1, 2 and 3 of section 1 of article VIII which are authorized by such producers and, on or before the 25th day after the end of each delivery period, pay over such deductions to the association of which such producers are members.

ARTICLE X -- EXPENSE OF ADMINISTRATION

Section 1. Payments by Handlers. As his pro rata share of the expense of the administration hereof, each handler, except as set forth in section 1 of article VI shall, on or before the 25th day after the end of each delivery period, pay to the Market Administrator a sum not exceeding two (2) cents per hundredweight with respect to all milk delivered to him during such delivery period by producers or an association of producers or produced by him, the exact amount to be determined by the Market Administrator subject to review by the Secretary: Provided, That each handler, which is a cooperative association of producers,

shall pay such pro rata share of expense of administration only on that milk received from producers and processed by such association.

ARTICLE XI -- ASSURANCE OF, AND SECURITY FOR,
PAYMENTS TO PRODUCERS

Section 1. Amount. Each handler who purchases milk from producers or an association of producers shall, not less than ten (10) days before he is required to make his first payments pursuant to article VIII, furnish to the Market Administrator security, in manner and form satisfactory to the Secretary, and payable, to the Market Administrator, as assurance of, and security for, payments to be made by such handler pursuant to article VIII, in such amount as will equal the value of the milk purchased by such handler during a period of time equivalent to a delivery period. In the event that the value of milk purchased by such handler for each of three consecutive delivery periods exceeds or is less than the amount of security furnished, and made payable, to the Market Administrator, such handler shall increase or decrease the security so that said security shall equal an amount not less than one-third of the total value of milk purchased during said three delivery periods.

Sec. 2. Bonds under State Statute. If, pursuant to a State statute, any handler has furnished the duly constituted authority charged with the duty of administering the applicable provisions of such statute, a bond or other security, a part or all of which is allocable to, and assures any part of, the payments to be made to producers, such handler shall furnish to the Market Administrator, in manner and form satisfactory to the Market Administrator, security in such amount as will, when added to such allocable and otherwise conditioned amount of security furnished pursuant to such State statute, equal the amount of security required under section 1.

Sec. 3. Payments to Producers. In the event that a handler has failed to make payments, pursuant to article VIII, the Market Administrator shall, within fifteen (15) days after such failure, send by registered mail to each producer or association of producers a form for the submittal of proof of claim against such handler. Upon the receipt of such proof of claim, properly notarized, the Market Administrator shall audit such claim and in addition cause to be audited his claim, if any, as Market Administrator against such handler, and thereupon shall determine the total payments due from such handler.

Within fifteen (15) days after the determination of the amount of said payments, the Market Administrator shall make demand by registered letter upon such handler and upon his surety, if any, for the total payments. If at the expiration of fifteen (15) days from such notice, the handler, or his surety, has not satisfied such claim, the Market Administrator shall, by conversion, sale, or suit, make available the amount realizable from the security furnished the Market Administrator, and make distribution to the claimant or claimants in accordance with proofs filed, either ratably or in full, as the case may be.

If the amount realized from the security is more than sufficient to pay all claims, the balance arising therefrom shall be returned to such handler or the surety entitled thereto as the case may be.

Sec. 4. Release. In the event that a handler shall cease to buy milk from producers, and shall furnish proof of such cessation to the Market Administrator, the Market Administrator shall, within thirty (30) days after receipt of such proof, return the security furnished pursuant to this article.

ARTICLE XII -- RESPONSIBILITY

Section 1. Handlers. The liability of the handlers hereunder is several and not joint and no handler shall be liable for the default of any other handler.

ARTICLE XIII -- SEPARABILITY

Section 1. Separability. If any provision of this Order is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder of this Order and/or the applicability thereof to any other person, circumstance or thing shall not be affected thereby.

ARTICLE XIV -- DEROGATION

Section 1. Derogation. Nothing contained in this Order is or shall be construed to be in derogation or in modification of the rights of the Secretary or of the United States: (a) to exercise any powers granted by the Act or otherwise, and/or (b) in accordance with such powers to act in the premises whenever such action is deemed advisable.

ARTICLE XV -- DURATION OF IMMUNITIES

Section 1. Duration of Immunities. The benefits, privileges, and immunities conferred by virtue of this Order shall cease upon its termination, except with respect to acts done under and during the existence of this Order, and benefits, privileges, and immunities conferred by this Order upon any parties subject hereto shall cease upon its termination as to such party, except with respect to acts done under and during the existence of this Order.

ARTICLE XVI -- EFFECTIVE TIME AND TERMINATION SUSPENSION

Section 1. Effective Time. This Order shall become effective at such time as the Secretary may declare above his signature attached hereto, and shall continue in force until terminated in one of the ways hereinafter specified.

Sec. 2. Suspension. The Secretary may at any time suspend this Order, or any provision thereof, as to any or all parties thereto by

giving at least one (1) day's notice by means of a press release, or in any other manner which the Secretary may determine.

Sec. 3. Termination. 1. The Secretary may at any time terminate this Order or any provision thereof as to all parties hereto by giving at least one (1) day's notice by means of a press release or in any other manner which the Secretary may determine.

2. The Secretary may at any time terminate this Order as to any party subject hereto by giving at least one (1) day's notice by depositing the same in the mail and addressed to such party at his last known address.

3. The Secretary shall terminate this Order at the end of any delivery period whenever he finds that such termination is favored by a majority of the producers of milk who, during the preceding delivery period, have been engaged in the production for market of milk in the Marketing Area: Provided, That such majority have during such period produced for market more than fifty (50) percent of the volume of such milk produced for market within said Marketing Area, but such termination shall be effective only if announced on or before the fifth day prior to the end of such delivery period.

4. This Order shall in any event terminate whenever the provisions of the Act authorizing it cease to be in effect.

Sec. 4. Effect. Unless otherwise provided by the Secretary in the notice of amendment, termination or suspension, of any or all provisions hereof, the amendment, termination or suspension shall not: (a) affect, waive, or terminate any right, duty, obligation or liability which shall have arisen or may thereafter arise in connection with any provisions of this Order; (b) release or waive any violation of this Order occurring prior to the effective date of such amendment, termination or suspension; or (c) affect or impair any rights or remedies of the Secretary, or of any other person with respect to any such violation.

Sec. 5. Continuing Power and Duty. If, upon the termination or suspension of this Order, there are any obligations arising thereunder, the final accrual or ascertainment of which requires further acts by any party thereto, or by the Market Administrator hereunder, or by any other person, the power and/or duty to perform such further acts shall continue notwithstanding such termination or suspension: Provided, That any such acts required under the terms of this Order shall be performed by the Market Administrator, functioning at the effective time of such termination or suspension, or, if the Secretary shall so direct, by such other person, persons or agency, as the Secretary may designate.

Sec. 6. Upon the termination or suspension of this Order or of any provision thereof, the Market Administrator then functioning, or such person as the Secretary may designate shall, if so directed by the Secretary, liquidate the business of the Market Administrator's office, and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are

unpaid and owing at the time of such termination or suspension.

The Market Administrator, or such other person as the Secretary may designate: (a) shall continue in such capacity until discharged by the Secretary; (b) from time to time, account for all receipts and disbursements and/or deliver all funds or property on hand, together with the books and records of the Market Administrator, or such person, to such person as the Secretary shall direct; and (c) if so directed by the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property and/or claims vested in the Market Administrator or such person pursuant to this Order.

Any funds collected for expenses pursuant to the provisions of this Order shall be held by the Market Administrator or such person, over and above the amounts necessary to meet outstanding obligations, and the expense necessarily incurred, by the Market Administrator or such person, in liquidating the business of the Market Administrator's office, shall be distributed to the contributing handlers and/or producers in an equitable manner.

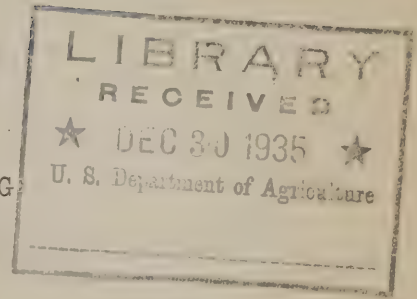
IN WITNESS WHEREOF,

Secretary of Agriculture, acting under the provisions of the Agricultural Adjustment Act, as amended, and pursuant to the applicable General Regulations of the Agricultural Adjustment Administration, does hereby execute in duplicate and issue this Order in the City of Washington, District of Columbia, on this day of , 1935, and pursuant to the provisions hereof, declares this Order to be effective on and after 12:01 a.m., eastern standard time, , 1935.

Secretary of Agriculture.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

PROPOSED MARKETING AGREEMENT REGULATING
THE HANDLING OF MILK IN THE GREATER
BOSTON, MASSACHUSETTS, MARKETING AREA



The parties to this Agreement are the contracting handlers, and the Secretary of Agriculture of the United States.

Whereas, it is provided in Title I, Section 8(b) of the Agricultural Adjustment Act, approved May 12, 1933, as amended (hereinafter called the Act), as follows:

"In order to effectuate the declared policy of this title, the Secretary of Agriculture shall have the power after due notice and opportunity for hearing, to enter into marketing agreements with processors, producers, associations of producers, and others engaged in the handling of any agricultural commodity or product thereof, only with respect to such handling as is in the current of interstate or foreign commerce, or as directly burdens, obstructs, or affects interstate or foreign commerce in such commodity or product thereof."

Whereas, the Secretary of Agriculture, having reason to believe that the execution of a Marketing Agreement would tend to effectuate the declared policy of Title I of the Act with respect to the producers of milk for the Greater Boston, Massachusetts, Marketing Area, did on the day of , 1935, give notice of a hearing to be held on the day of , 1935, on a proposed Marketing Agreement regulating the handling of said commodity, and did at the said time and place conduct a public hearing thereon at which all interested parties were afforded an opportunity to be heard on the said proposed Marketing Agreement;

Whereas, the parties hereto, for the purpose of correcting conditions now obtaining in the handling of milk, in the Greater Boston, Massachusetts, Marketing Area, and to effectuate the declared policy of the Act, desire to enter into a Marketing Agreement under the provisions of Title I, Section 8(b) of the Act.

Now, therefore, the parties hereto agree as follows:

ARTICLE I -- DEFINITIONS

Section . Terms. The following terms shall have the following meanings:

1. "Act" means the Agricultural Adjustment Act approved May 12, 1933, as amended.

2. "Secretary" means the Secretary of Agriculture of the United States.

3. "Greater Boston Marketing Area," hereinafter called the "Marketing Area," means the territory included within the boundary lines of the cities and towns of Arlington, Belmont, Beverly, Boston, Braintree, Brookline, Cambridge, Chelsea, Dedham, Everett, Lexington, Lynn, Malden, Marblehead, Medford, Melrose, Milton, Nahant, Needham, Newton, Peabody, Quincy, Reading, Revere, Salem, Saugus, Somerville, Stoneham, Swampscott, Wakefield, Waltham, Watertown, Wellesley, Weymouth, Winchester, Winthrop, and Woburn, Massachusetts.

4. "Person" means any individual, partnership, corporation, association, and any other business unit.

5. "Producer" means any person, irrespective of whether any such person is also a handler, who produces milk in conformity with the health requirements applicable for milk to be sold for consumption as milk in the Marketing Area.

6. "Handler" means any person, irrespective of whether such person is a producer or as association of producers, wherever located or operating, who engages in such handling of milk, which is sold as milk or cream in the Marketing Area, as is in the current of interstate or foreign commerce, or which directly burdens, obstructs, or affects interstate or foreign commerce in milk and its products.

7. "Market Administrator" means the person designated pursuant to article II as the agency for the administration hereof.

8. "Delivery period" means the current marketing period from the first to, and including, the fifteenth day of each month, and from the sixteenth to, and including, the last day of each month.

9. "Base" means a quantity of milk for each producer, including a handler who is also a producer, determined pursuant to section 4 of article VII.

ARTICLE II -- MARKET ADMINISTRATOR

Section 1. Selection, Removal and Bond. The Market Administrator shall be selected, and shall be subject to removal at any time, by the Secretary. Within forty-five (45) days following the date upon which he enters upon his duties, the Market Administrator shall execute and deliver to the Secretary a bond in an amount and with surety thereon satisfactory to the Secretary, conditioned upon the faithful performance of his duties.

Sec. 2. Compensation. The Market Administrator shall be entitled to such reasonable compensation as may be determined by the Secretary.

Sec. 3. Powers. The Market Administrator shall have power:

1. To administer the terms and provisions hereof;
2. To receive, investigate, and report to the Secretary complaints of violations of the terms and provisions hereof; and
3. To maintain a suit in his own name against any handler for the collection of such handler's pro rata share of expenses as set forth in section 1 of article X.

Sec. 4. Duties. The Market Administrator, in addition to the duties hereinafter described, shall:

1. Keep such books and records, subject to examination by the Secretary at any and all times, as will clearly reflect the transactions provided for herein;
2. Furnish such information and such verified reports as the Secretary may request;
3. Obtain a bond with reasonable security thereon from each employee who handles funds entrusted to the Market Administrator;
4. Publicly disclose to handlers and producers, unless otherwise directed by the Secretary, the name of any person who, within fifteen days after the date upon which he is required to perform such acts, has not (a) furnished security pursuant to article XI, (b) made reports pursuant to article V, or (c) made payments pursuant to article VIII;
5. Employ and fix the compensation of such persons as may be necessary to enable him to administer the terms and provisions hereof; and
6. Pay out of the funds provided by article X (a) the cost of his bond and of the bonds of such of his employees, as handle funds entrusted to the Market Administrator, (b) his own compensation, and (c) all other expenses which will necessarily be incurred by him for the maintenance and functioning of his office and the performance of his duties.

Sec. 5. Responsibility. The Market Administrator shall not be held responsible in any way whatsoever to any handler, or any other person, for errors in judgment, mistakes, or other acts either of commission or omission, as such Market Administrator, except for his willful misfeasance or malfeasance, or dishonesty.

ARTICLE III - CLASSIFICATION OF MILK

Section 1. Sales and Use Classification. Milk purchased or handled by handlers shall be classified as follows:

1. All milk sold or distributed for consumption as milk, chocolate milk or flavored milk shall be Class I milk; and

2. All milk purchased, sold or used in excess of Class I milk shall be Class II milk.

Sec. 2. Inter-handler Sales. Milk sold by a handler to another handler shall be presumed to be Class I milk: Provided, That, if such selling handler, on or before the date fixed for filing reports pursuant to article V, shall furnish proof satisfactory to the Market Administrator that such milk has been sold or used by the purchasing handler other than as Class I milk, then, and in that event, such milk shall be classified as Class II milk.

Sec. 3. Delivery of Class I Milk. The milk which was sold or distributed by each handler as Class I milk shall be presumed to have been that milk which was delivered to such handler at plants within and nearest to the Marketing Area.

ARTICLE IV -- MINIMUM PRICES

Section 1. Class I Prices. Each handler shall pay producers at the time and in the manner set forth in article VIII, for Class I milk containing 3.7 percent butterfat, subject to the butterfat differentials set forth in section 3 of article VIII, not less than the following prices:

1. In the case of milk delivered through a cooperative association to such handler's plant located not more than forty (40) miles from State House in Boston, \$3.05 per hundredweight;

2. In the case of milk delivered through a cooperative association, to a railroad delivery point not more than forty (40) miles from the State House in Boston, \$3.00 per hundredweight;

3. In the case of milk delivered from producers' farms to the plant of such handler located not more than forty (40) miles from the State House in Boston, \$3.00 per hundredweight; and

4. In the case of milk delivered from producers' farms to the plant of such handler located more than forty (40) miles from the State House in Boston, \$2.74 per hundredweight less an amount per hundredweight equal to the freight (considering 85 pounds of milk per can) according to the tariff currently approved by the Interstate Commerce Commission for the transportation in carload lots, of milk in 40-quart cans, to Boston from the zone of location of such handler's plant.

Sec. 2. Class II Prices. Each handler shall pay producers, at the time and in the manner set forth in article VIII, for Class II milk containing 3.7 percent butterfat subject to the butterfat differential set forth in section 3 of article VIII, not less than the following prices:

1. In the case of milk delivered to a handler's plant located not more than forty (40) miles from the State House in Boston the price which the Market Administrator shall calculate as follows: Divide by 33 the weighted average price per forty-quart can of bottling cream in the Boston market, as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, multiply the result by 3.7, add 12 cents and subtract 23-1/4 cents;

2. In the case of milk delivered to a handler's plant located more than forty (40) miles from the State House in Boston the price calculated by the Market Administrator pursuant to paragraph 1 of this section, minus 6 cents.

Sec. 3. Sales Outside the Marketing Area. The price to be paid to producers by a handler for Class I milk sold outside the Marketing Area, in lieu of the price otherwise applicable pursuant to this article, shall be such price as the Market Administrator ascertains is being paid in the market, where such milk is sold, by processors for milk of equivalent use, subject to a reasonable adjustment on account of transportation from the plant where such milk is received from producers to the plant where such milk is loaded on wholesale and retail routes.

Sec. 4. Publication of Class II Price. On or before the fifth day after the end of each delivery period, the Market Administrator shall publicly announce the Class II price in effect for such delivery period.

ARTICLE V -- REPORTS OF HANDLERS

Section 1. Periodic Reports. On or before the eighth day after the end of each delivery period each handler shall, with respect to milk or cream which was, during such delivery period, (a) received from producers, (b) received from handlers, and (c) produced by such handler, report to the Market Administrator in the detail and form prescribed by the Market Administrator, as follows:

1. The receipts at each plant from producers, who are not handlers, and the quantity of such receipts which is the total of all milk delivered in excess of the respective bases of such producers individually;

2. The receipts at each plant from any other handler, including any handler who is also a producer;

3. The quantity, if any, produced by such handler; and

4. The total quantities of milk which were sold, distributed or used, including sales to other handlers, in each class set forth in article III.

Sec. 2. Reports as to Producers. Each handler shall report

to the Market Administrator:

1. Within ten (10) days after the Market Administrator's request with respect to any producer, for whom such information is not in the files of the Market Administrator, and with respect to a period or periods of time designated by the Market Administrator, (a) the name and address, (b) the total pounds of milk delivered, (c) the average butterfat test of milk delivered, and (d) the number of days upon which deliveries were made; and

2. As soon as possible after first receiving milk from any producer, (a) the name and address of such producer, (b) the date upon which such milk was first received, and (c) the plant at which such producer delivered milk.

Sec. 3. Reports of Payments to Producers. Each handler shall submit to the Market Administrator within thirty (30) days after the end of each delivery period his producer payroll for such delivery period which shall show for each producer (a) the net amount of such producer's payment, with the prices, deductions and charges involved, (b) the total delivery of milk with the average butterfat test thereof, and (c) the portion of such delivery which was in excess of the base of such producer.

Sec. 4. Outside Cream Purchases. Each handler shall report, as requested by the Market Administrator, his purchases, if any, of bottling quality cream in carload lots from handlers who receive no milk from producers, showing the quantity and the source of each such purchase, and the price paid at Boston.

Sec. 5. Verification of Reports. In order that the Market Administrator may submit verified reports to the Secretary pursuant to paragraph 2 of section 4 of article II, each handler shall permit the Market Administrator or his agent, during the usual hours of business, to (a) verify the information contained in reports submitted in accordance with this article, and (b) sample, weigh, and test milk for butterfat.

ARTICLE VI -- HANDLERS WHO ARE ALSO PRODUCERS

Section 1. Application of Provisions. No provision hereof shall apply to a handler who is also a producer and who purchases no milk from producers, except that such handler shall make the reports prescribed in article V at the request of the Market Administrator.

Sec. 2. Milk Purchased from Producers. In the case of a handler who is also a producer and purchases milk from producers, the Market Administrator shall, in the computations set forth in article VII, exclude the milk purchased by him in each class from other handlers and apportion the milk purchased by him from producers to each Class according to the ratio which his remaining total sales in each Class bears to his remaining total sales in all Classes.

ARTICLE VII -- DETERMINATION OF UNIFORM PRICES TO PRODUCERS

Section 1. Computation of Value of Milk for Each Handler. For each delivery period the Market Administrator shall compute, subject to the provisions of article VI, the value of milk sold or used by each handler, which was not purchased from other handlers, by (a) multiplying the quantity of such milk in each Class by the price applicable pursuant to article IV and (b) adding together the resulting value of each Class.

Sec. 2. Computation and Announcement of Uniform Prices. The Market Administrator shall compute and announce the uniform prices per hundredweight of milk delivered during each delivery period as follows:

1. Combine into one total the respective values of milk, computed pursuant to section 1 of this article, for each handler who made payments, pursuant to article VIII, for milk received during the previous delivery period;
2. Add the total net amount of the differentials applicable pursuant to section 4 of article VIII;
3. Subtract the total amount to be paid to producers pursuant to paragraphs 2, 3 and 4 of section 1 of article VIII;
4. Divide by the total quantity of milk which is not in excess of the bases of producers whose farms are located more than forty miles from the State House in Boston, and which is included in these computations;
5. Subtract not less than 4 cents nor more than 5 cents per hundredweight of milk for the purpose of retaining a cash balance in connection with the payments set forth in paragraph 5 of section 1 of article VIII;
6. Add an amount per hundredweight of milk which will prorate any cash balance available pursuant to section 3 of this article; and
7. On or before the 12th day after the end of each delivery period, notify all handlers, and make public announcement of these computations, of the blended price per hundredweight which is the result, and of the Class II price.

Sec. 3. Proration of Cash Balance. For each delivery period, the Market Administrator shall prorate, by an appropriate addition, pursuant to section 2 of this article, the cash balance, if any, in his hands (a) from payments, except those provided for in articles IX and X, made during the delivery period next preceding but one, and (b) from payments in arrears collected by means of the security furnished pursuant to article XI, and otherwise.

Sec. 4. Base Rating. For the purpose of adjustment, equitably to apportion, according to production during a representative period

of time, the total value of milk for each delivery period, the Market Administrator shall record for each producer a base which shall be a quantity of milk determined as follows:

1. Except as set forth in paragraph 2 of this section, the base of each producer shall be:

a. From the effective date hereof until March 31, 1937, that figure which is highest of the following six calculations with respect to the deliveries of milk in bulk to handlers from the farm of such producer: the average delivery of milk per day during the quarter in which deliveries were lowest, respectively, in the calendar year 1933, the calendar year 1934 and the year ended September 30, 1935; and 75 percent of the average delivery of milk per day, respectively, during the calendar year 1933, the calendar year 1934 and the year ended September 30, 1935.

b. From April 1, 1937 to March 31, 1938, that figure which is higher of the following two calculations with respect to the deliveries of milk in bulk to handlers from the farm of such producer: (a) the average delivery of milk per day during the three calendar months of the calendar year 1936 in which deliveries of milk were lowest; and (b) 60 percent of the average delivery of milk per day throughout the calendar year 1936.

c. For the year beginning April 1, 1938, and for each year thereafter beginning April 1, that figure which is higher of the two following calculations with respect to the deliveries of milk in bulk to handlers from the farm of such producer: (a) the average delivery of milk per day during the three months of the next preceding calendar year in which deliveries were lowest; and (b) 40 percent of the average delivery of milk per day throughout the next preceding calendar year.

2. The base of any producer who did not regularly sell milk for a period of thirty days prior to the effective date hereof, to a handler or to persons within the Marketing Area, shall be, for the remainder of the then current calendar year, the percentage of his averaged delivery of milk per day during the period when he receives the Class II price pursuant to paragraph 4 of section 1 of article VIII, which is the relationship between (a) the total deliveries of all producers not in excess of their bases during such period, and (b) the total deliveries of all producers.

3. In the case of a producer who has purchased the farm of a producer for whom a base is recorded, the Market Administrator shall transfer such base to the name of the producer who purchased the farm.

ARTICLE VIII -- PAYMENTS FOR MILK

Section 1. Time and Method of Payment. On or before the 25th day after the end of each delivery period, each handler shall make payments for the total value, subject to the butterfat differential set forth in section 3 of this article, of milk received during such delivery period, as follows:

1. To producers, except as set forth in paragraph 2 of this section, at the blended price per hundredweight computed pursuant to section 2 of article VII, subject to the differentials set forth in paragraphs 1 and 2 of section 4 of this article, for that quantity of milk delivered by each producer not in excess of the base of such producer;

2. To any producer, whose farm is located within forty miles of the State House in Boston and who delivers milk to such handler at a plant located within forty miles of the State House in Boston, at \$3.00 per hundredweight for that quantity of milk delivered by such producer not in excess of the base of such producer;

3. To producers, at the Class II price, subject to the differential set forth in paragraph 2 of section 4 of this article, for that quantity of milk delivered by each producer in excess of his base;

4. To any producer, who did not regularly sell milk for a period of thirty days prior to the effective date hereof to a handler or to persons within the Marketing Area, at the Class II price, subject to the differential set forth in paragraph 2 of section 4 of this article, for all the milk delivered by such producer during the period beginning with the first regular delivery of such producer and continuing until the end of two full calendar months following the first day of the next succeeding calendar month;

5. To producers, through the Market Administrator, by paying to, or receiving from, the Market Administrator, as the case may be, the amount by which the payments, made pursuant to paragraphs 1, 2, 3 and 4 of this section, are less than, or exceed, the value of milk computed for each handler pursuant to section 2 of article VII, as shown in a statement rendered by the Market Administrator on or before the 20th day after the end of such delivery period.

Sec. 2. Errors in Payments. Errors in making any of the payments prescribed in this article shall be corrected not later than the date for making payments next following the determination of such errors.

Sec. 3. Butterfat Differential. If any producer has delivered to any handler during any delivery period milk having an average butterfat content other than 3.7 percent, such handler shall pay to such producer for each one-tenth of one percent of average butterfat content above 3.7 percent or shall deduct for each one-tenth of one percent of average butterfat content below 3.7 percent an amount per hundredweight which shall be calculated by the Market Administrator as follows: Divide by 32 the weighted average price per forty-quart can of bottling quality cream in the Boston market as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, subtract 8 cents and divide the result by 10.

Sec. 4. Country Station Differentials. The payments to be made to producers by handlers pursuant to section 1 of this article shall be subject to differentials as follows:

1. With respect to the quantity of milk which is not in excess

of his base, delivered by a producer to a handler's plant located more than forty miles from the State House in Boston, there shall be deducted an amount per hundredweight equal to the freight (considering 85 pounds of milk per can), according to the tariff currently approved by the Interstate Commerce Commission for the transportation, in carload lots of milk in 40-quart cans, to Boston from the zone of location of the handler's plant.

2. With respect to the quantity of milk which is not in excess of his base, delivered by a producer, whose farm is located more than forty miles from the State House in Boston, to a handler's plant located not more than forty miles from the State House in Boston, there shall be added 26 cents per hundredweight.

3. With respect to the quantity of milk delivered by a producer, which is in excess of his base, at the plant of a handler located more than forty miles from the State House in Boston, there shall be deducted six (6) cents per hundredweight.

ARTICLE IX -- MARKETING SERVICES

Section 1. Deductions for Marketing Services. Except as set forth in section 2, each handler shall deduct five (5) cents per hundredweight from the payments made direct to producers pursuant to article VIII with respect to all milk delivered to such handler during each delivery period by producers and shall pay such deductions to the Market Administrator on or before the 25th day after the end of such delivery period. Such monies shall be expended by the Market Administrator for market information to, and for verification of weights, sampling and testing of milk purchased from, said producers.

Sec. 2. Producers' Cooperative Association. In the case of producers for whom a cooperative association, which the Secretary determines to be qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act", and to be actually performing the services set forth in section 1 of this article, each handler shall make the deductions from the payments to be made pursuant to paragraphs 1, 2 and 3 of section 1 of article VIII which are authorized by such producers and, on or before the 25th day after the end of each delivery period, pay over such deductions to the association of which such producers are members.

ARTICLE X -- EXPENSE OF ADMINISTRATION

Section 1. Payments by Handlers. As his pro rata share of the expense of the administration hereof, each handler, except as set forth in section 1 of article VI shall, on or before the 25th day after the end of each delivery period, pay to the Market Administrator a sum not exceeding two (2) cents per hundredweight with respect to all milk delivered to him during such delivery period by producers or an association of producers or produced by him, the exact amount to be determined by the Market Administrator subject to review by the Secretary: Provided, That each handler, which is a cooperative association of producers,

shall pay such pro rata share of expense of administration only on that milk received from producers and processed by such association.

ARTICLE XI -- ASSURANCE OF, AND SECURITY FOR,
PAYMENTS TO PRODUCERS

Section 1. Amount. Each handler who purchases milk from producers or an association of producers shall, not less than ten (10) days before he is required to make his first payments pursuant to article VIII, furnish to the Market Administrator security, in manner and form satisfactory to the Secretary, and payable, to the Market Administrator, as assurance of, and security for, payments to be made by such handler pursuant to article VIII, in such amount as will equal the value of the milk purchased by such handler during a period of time equivalent to a delivery period. In the event that the value of milk purchased by such handler for each of three consecutive delivery periods exceeds or is less than the amount of security furnished, and made payable, to the Market Administrator, such handler shall increase or decrease the security so that said security shall equal an amount not less than one-third of the total value of milk purchased during said three delivery periods.

Sec. 2. Bonds under State Statute. If, pursuant to a State statute, any handler has furnished the duly constituted authority charged with the duty of administering the applicable provisions of such statute, a bond or other security, a part or all of which is allocable to, and assures any part of, the payments to be made to producers, such handler shall furnish to the Market Administrator, in manner and form satisfactory to the Market Administrator, security in such amount as will, when added to such allocable and otherwise conditioned amount of security furnished pursuant to such State statute, equal the amount of security required under section 1.

Sec. 3. Payments to Producers. In the event that a handler has failed to make payments, pursuant to article VIII, the Market Administrator shall, within fifteen (15) days after such failure, send by registered mail to each producer or association of producers a form for the submittal of proof of claim against such handler. Upon the receipt of such proof of claim, properly notarized, the Market Administrator shall audit such claim and in addition cause to be audited his claim, if any, as Market Administrator against such handler, and thereupon shall determine the total payments due from such handler.

Within fifteen (15) days after the determination of the amount of said payments, the Market Administrator shall make demand by registered letter upon such handler and upon his surety, if any, for the total payments. If at the expiration of fifteen (15) days from such notice, the handler, or his surety, has not satisfied such claim, the Market Administrator shall, by conversion, sale, or suit, make available the amount realizable from the security furnished the Market Administrator, and make distribution to the claimant or claimants in accordance with proofs filed, either ratably or in full, as the case may be.

If the amount realized from the security is more than sufficient to pay all claims, the balance arising therefrom shall be returned to such handler or the surety entitled thereto as the case may be.

Sec. 4. Release. In the event that a handler shall cease to buy milk from producers, and shall furnish proof of such cessation to the Market Administrator, the Market Administrator shall, within thirty (30) days after receipt of such proof, return the security furnished pursuant to this article.

ARTICLE XII -- RESPONSIBILITY

Section 1. Handlers. The liability of the handlers hereunder is several and not joint and no handler shall be liable for the default of any other handler.

ARTICLE XIII -- SEPARABILITY

Section 1. Separability. If any provision of this Agreement is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder of this Agreement and/or the applicability thereof to any other person, circumstance or thing shall not be affected thereby.

ARTICLE XIV -- DEROGATION

Section 1. Derogation. Nothing contained in this Agreement is or shall be construed to be in derogation or in modification of the rights of the Secretary or of the United States: (a) to exercise any powers granted by the Act or otherwise, and/or (b) in accordance with such powers to act in the premises whenever such action is deemed advisable.

ARTICLE XV -- ANTI-TRUST LAWS

Section 1. Anti-trust Laws. Any exemption from the anti-trust laws and/or any validation of any acts or things, which otherwise would have been unlawful, which may result from the execution of this Agreement by the Secretary, shall not extend or be construed to extend further than is absolutely necessary for the purpose of carrying out the provisions of this Agreement.

ARTICLE XVI -- DURATION OF IMMUNITIES

Section 1. Duration of Immunities. The benefits, privileges, and immunities conferred by virtue of this Agreement shall cease upon its termination, except with respect to acts done under and during the existence of this Agreement, and benefits, privileges, and immunities conferred by this Agreement upon any parties signatory hereto shall cease upon its termination as to such party, except with respect to acts done under and during the existence of this Agreement.

ARTICLE XVII -- AGENTS

Section 1. Agents. The Secretary may, by a designation in

writing, name any person (not a party to this Agreement) including any officer or employee of the Government, or name any Bureau or Division in the Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this Agreement.

ARTICLE XVIII -- ORDER WITH MARKETING AGREEMENT

Section 1. Request for Order. Each signatory handler hereby requests the Secretary to issue an Order pursuant to the Act regulating the handling of milk in the Marketing Area, in the same manner as provided in this Agreement.

ARTICLE XIX -- ADDITIONAL PARTIES AND COUNTERPARTS

Section 1. Additional Parties. After this Agreement first takes effect, any handler may become a party to this Agreement if a counterpart thereof is executed by him, and by the Secretary. This Agreement shall take effect, as to such handler, at such time as the Secretary may declare above his signature attached to such counterpart, and the benefits, privileges and immunities conferred by this Agreement shall then be effective as to such handler.

Sec. 2. Counterparts. This Agreement may be executed in multiple counterparts, and when one counterpart is signed by the Secretary, all such counterparts shall constitute, when taken together, one and the same instrument as if all such signatures were obtained in one original.

ARTICLE XX -- AMENDMENTS

Section 1. Proposals. Amendments to this Agreement may, from time to time, be proposed by any party hereto.

Sec. 2. Hearing and Approval. After due notice and hearing and upon the execution of the proposed amendments by 50 percent or more handlers, who, during the month preceding the execution of said amendment or amendments, handled not less than 50 percent of the milk handled in the Marketing Area, the Secretary may approve such amendments, which shall be effective as provided in article XXII.

ARTICLE XXI -- EFFECTIVE TIME AND TERMINATION SUSPENSION

Section 1. Effective Time. This Agreement shall become effective at such time as the Secretary may declare above his signature attached hereto, and shall continue in force until terminated in one of the ways hereinafter specified.

Sec. 2. Suspension. The Secretary may at any time suspend this Agreement, or any provision thereof, as to any or all parties thereto by giving at least one (1) day's notice by means of a press release, or in any other manner which the Secretary may determine.

Sec. 3. Termination. 1. The Secretary may at any time terminate this Agreement or any provision thereof as to all parties hereto by giving at least one (1) day's notice by means of a press release or in any other manner which the Secretary may determine.

2. The Secretary may at any time terminate this Agreement as to any party signatory hereto by giving at least one (1) day's notice by depositing the same in the mail and addressed to such party at his last known address.

3. The Secretary shall terminate this Agreement at the end of any delivery period whenever he finds that such termination is favored by a majority of the producers of milk who, during the preceding delivery period, have been engaged in the production for market of milk in the Marketing Area: Provided, That such majority have during such period produced for market more than fifty (50) percent of the volume of such milk produced for market within said Marketing Area, but such termination shall be effective only if announced on or before the fifth day prior to the end of such delivery period.

4. This Agreement shall in any event terminate whenever the provisions of the Act authorizing it cease to be in effect.

Sec. 4. Effect. Unless otherwise provided by the Secretary in the notice of amendment, termination or suspension, of any or all provisions hereof, the amendment, termination or suspension shall not: (a) affect, waive, or terminate any right, duty, obligation or liability which shall have arisen or may thereafter arise in connection with any provision of this Agreement; (b) release or waive any violation of this Agreement occurring prior to the effective date of such amendment, termination or suspension; or (c) affect or impair any rights or remedies of the Secretary, or of any other person with respect to any such violation.

Sec. 5. Continuing Power and Duty. If, upon the termination or suspension of this Agreement, there are any obligations arising thereunder, the final accrual or ascertainment of which requires further acts by any party thereto, or by the Market Administrator hereunder, or by any other person, the power and/or duty to perform such further acts shall continue notwithstanding such termination or suspension: Provided, That any such acts required under the terms of this Agreement shall be performed by the Market Administrator, functioning at the effective time of such termination or suspension, or, if the Secretary shall so direct, by such other person, persons or agency, as the Secretary may designate.

Sec. 6. Upon the termination or suspension of this Agreement or of any provision thereof, the Market Administrator then functioning, or such person as the Secretary may designate shall, if so directed by the Secretary, liquidate the business of the Market Administrator's office, and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid and owing at the time of such termination or suspension.

The Market Administrator, or such other person as the Secretary may designate: (a) shall continue in such capacity until discharged by the Secretary; (b) from time to time, account for all receipts and disbursements and/or deliver all funds or property on hand, together with the books and records of the Market Administrator, or such person,

to such person as the Secretary shall direct; and (c) if so directed by the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property and/or claims vested in the Market Administrator or such person pursuant to this Agreement.

Any funds collected for expenses pursuant to the provisions of this Agreement shall be held by the Market Administrator or such person, over and above the amounts necessary to meet outstanding obligations, and the expenses necessarily incurred, by the Market Administrator or such person, in liquidating the business of the Market Administrator's office, shall be distributed to the contributing handlers and/or producers in an equitable manner.

ARTICLE XXII -- SIGNATURES OF PARTIES

IN WITNESS WHEREOF,

the contracting parties, acting under the provisions of the Agricultural Adjustment Act, as amended, for the purposes and subject to the limitations herein contained, and not otherwise, have hereunto set their respective hands and seals, this day of , 1935.

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Boston

Docket No. A-14

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

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U. S. Department of Agriculture

TENTATIVELY APPROVED MARKETING AGREEMENT
REGULATING THE HANDLING OF MILK IN THE
GREATER BOSTON, MASSACHUSETTS, MARKETING AREA

I hereby certify that this document is a true and correct copy
of the said Marketing Agreement as tentatively approved by the Secretary of
Agriculture, January 18, 1936.

Hearing Clerk,

U. S. Department of Agriculture

Dated: January 18, 1936.

Washington, D. C.

INSTRUCTIONS FOR SIGNING MARKETING AGREEMENT

(Please read carefully before signing)

Handlers of milk who wish to enter into the Marketing Agreement Regulating the Handling of Milk in the Greater Boston, Massachusetts, Marketing Area with the Secretary of Agriculture should fill in and sign in accordance with the following instructions:

1. The agreement should be signed in the space provided for the signer's signature and address on page 17 just below article XXII, headed "Signatures." The type of business organization which you represent, whether corporation, partnership or individual, should be indicated with your signature. If your business is organized as a corporation, you should be sure to impress the corporate seal at the left of your signature.

2. The record of milk handled during the month of November 1935 should be properly certified as indicated on page 18.

3. The authorization to correct typographical errors on page 19 should be signed.

4. If your business is a corporation the board of directors should pass a resolution, in the form attached to the agreement on page 19, authorizing the signing of this agreement.

5. In case of partnership and corporations the agreement should be signed by persons authorized to represent the same, such authorization to be indicated.

When the above procedure has been completed, the agreement should be returned to the Hearing Clerk, Room 4725 South Building, United States Department of Agriculture, Washington, D. C.

TENTATIVELY APPROVED MARKETING AGREEMENT
REGULATING THE HANDLING OF MILK IN THE
GREATER BOSTON, MASSACHUSETTS, MARKETING AREA

The parties to this Agreement are the contracting handlers and the Secretary of Agriculture of the United States.

Whereas, it is provided in Title I, Section 8b of the Agricultural Adjustment Act, approved May 12, 1933, as amended (hereinafter called the "Act"), as follows:

"In order to effectuate the declared policy of this title, the Secretary of Agriculture shall have the power, after due notice and opportunity for hearing, to enter into marketing agreements with processors, producers, associations of producers, and others engaged in the handling of any agricultural commodity or product thereof, only with respect to such handling as is in the current of interstate or foreign commerce or which directly burdens, obstructs, or affects interstate or foreign commerce in such commodity or product thereof."

and

Whereas, the Secretary of Agriculture, having reason to believe that the execution of a Marketing Agreement would tend to effectuate the declared policy of Title I of the Act with respect to the producers of milk for the Greater Boston, Massachusetts, Marketing Area, did on the 30th day of November, 1935, give notice of a hearing to be held on the 10th and 11th days of December, 1935, at St. Johnsbury, Vermont, and on the 12th day of December, 1935, at Boston, Massachusetts, on a proposed Marketing Agreement regulating the handling of said commodity, and did at the said times and places conduct a public hearing at which all interested parties were afforded an opportunity to be heard on the said proposed Marketing Agreement; and

Whereas, the parties hereto, in order to effectuate the declared policy of the Act, desire to enter into a Marketing Agreement under the provisions of Title I, Section 8b of the Act.

Now, therefore, the parties hereto agree as follows:

ARTICLE I -- DEFINITIONS

Section 1. Terms. The following terms shall have the following meanings:

1. "Act" means the Agricultural Adjustment Act approved May 12, 1933, as amended.

2. "Secretary" means the Secretary of Agriculture of the United States.

3. "Greater Boston, Massachusetts, Marketing Area", hereinafter called the "Marketing Area", means the territory included within the boundary lines of the cities and towns of Arlington, Belmont, Beverly, Boston, Braintree, Brookline, Cambridge, Chelsea, Dedham, Everett, Lexington, Lynn, Malden, Marblehead, Medford, Melrose, Milton, Nahant, Needham, Newton, Peabody, Quincy, Reading, Revere, Salem, Saugus, Somerville, Stoneham, Swampscott, Wakefield, Waltham, Watertown, Wellesley, Weymouth, Winchester, Winthrop and Woburn, Massachusetts.

4. "Person" means any individual, partnership, corporation, association and any other business unit.

5. "Producer" means any person, irrespective of whether any such person is also a handler, who produces milk in conformity with the health regulations which are applicable to milk which is sold for consumption as milk in the Marketing Area.

6. "Handler" means any person, irrespective of whether such person is a producer or an association of producers, wherever located or operating, who engages in such handling of milk, which is sold as milk or cream in the Marketing Area, as is in the current of interstate or foreign commerce or which directly burdens, obstructs or affects interstate or foreign commerce in milk and its products.

7. "Market Administrator" means the person designated pursuant to article II as the agency for the administration hereof.

8. "Delivery period" means the current marketing period from the first to, and including, the fifteenth day of each month, and from the sixteenth to, and including, the last day of each month.

9. "Base" means the quantity of milk calculated for each producer, pursuant to section 4 of article VII.

ARTICLE II -- MARKET ADMINISTRATOR

Section 1. Selection, Removal and Bond. The Market Administrator shall be selected, and shall be subject to removal at any time, by the Secretary. Within forty-five (45) days following the date upon which he enters upon his duties, the Market Administrator shall execute and deliver to the Secretary a bond, conditioned upon the faithful performance of his duties, in an amount and with surety thereon satisfactory to the Secretary.

Sec. 2. Compensation. The Market Administrator shall be entitled to such reasonable compensation as may be determined by the Secretary.

Sec. 3. Powers. The Market Administrator shall have power:

1. To administer the terms and provisions hereof;
2. To receive, investigate and report to the Secretary complaints of violations of the terms and provisions hereof.

Sec. 4. Duties. The Market Administrator, in addition to the duties hereinafter described, shall:

1. Keep such books and records as will clearly reflect the transactions provided for herein;
2. Submit his books and records to examination by the Secretary at any and all times;
3. Furnish such information and such verified reports as the Secretary may request;
4. Obtain a bond with reasonable security thereon covering each employee who handles funds entrusted to the Market Administrator;
5. Publicly disclose to handlers and producers, unless otherwise directed by the Secretary, the name of any person, who, within fifteen days after the date upon which he is required to perform such acts, has not (a) furnished security pursuant to article XI, (b) made reports pursuant to article V, or (c) made payments pursuant to article VIII;
6. Employ and fix the compensation of such persons as may be necessary to enable him to administer the terms and provisions hereof; and
7. Pay, out of the funds provided by article X, (a) the cost of his bond and of the bonds of such of his employees as handle funds entrusted to the Market Administrator, (b) his own compensation and (c) all other expenses which will necessarily be incurred by him for the maintenance and functioning of his office and the performance of his duties.

Sec. 5. Responsibility. The Market Administrator, in his capacity as such, shall not be held responsible in any way whatsoever to any handler, or to any other person, for errors in judgment, for mistakes or for other acts either of commission or omission, except for his own willful misfeasances, malfeasance or dishonesty.

ARTICLE III -- CLASSIFICATION OF MILK

Section 1. Sales and Use Classification. Milk purchased or handled by handlers shall be classified as follows:

1. All milk sold or distributed as milk, chocolate milk or flavored milk and all milk not specifically accounted for as Class II milk shall be Class I milk; and
2. Milk specifically accounted for (a) as being sold or distributed other than as milk, chocolate milk or flavored milk, and (b) as actual plant shrinkage within reasonable limits shall be Class II milk.

Sec. 2. Inter-Handler Sales. Milk, including skim milk, sold by a handler to another handler shall be presumed to be Class I milk;

provided, that, if such selling handler, on or before the date fixed for filing reports pursuant to article V, shall furnish proof satisfactory to the Market Administrator that such milk, or part thereof, has been sold or used by the purchasing handler other than as Class I milk, then and in that event, such milk, or part thereof, shall be classified as Class II milk.

Sec. 3. Delivery of Class I Milk. The milk which was sold or distributed by each handler as Class I milk shall be presumed to have been that milk which was delivered to such handler at plants within and nearest to the Marketing Area; provided, that, if such handler can show that such presumption will result in an unreasonable allocation as to Class I milk actually delivered to him outside the Marketing Area, the Market Administrator may determine and make public a different basis of allocation than would otherwise be allowed by this section.

ARTICLE IV -- MINIMUM PRICES

Section 1. Class I Prices to Associations of Producers. Each handler shall pay any association of producers for Class I milk containing 3.7 percent butterfat, subject to the butterfat differential set forth in section 3 of article VIII, not less than the following prices:

1. \$3.42 per hundredweight for such milk delivered from the plant of such association to such handler's plant located not more than forty (40) miles from the State House in Boston; and
2. \$3.37 per hundredweight for such milk delivered from the plant of such association to such handler at a railroad delivery point not more than forty (40) miles from the State House in Boston.

Sec. 2. Class I Prices to Producers. Each handler shall pay producers, in the manner set forth in article VIII, for milk delivered by them, not less than the following prices:

1. \$3.30 per hundredweight for such milk delivered from producers' farms to such handler's plant located not more than forty (40) miles from the State House in Boston;
2. \$3.09 per hundredweight for such milk delivered from producers' farms to such handler's plant located more than forty (40) miles from the State House in Boston, less an amount per hundredweight equal to the freight (considering 85 pounds of milk per can) according to the applicable tariff approved by the Interstate Commerce Commission for the transportation in carload lots of milk in 40-quart cans, from the zone of location of such handler's plant to such handler's railroad delivery point in the Marketing Area.

Sec. 3. Class II Prices. Each handler shall pay producers, in the manner set forth in article VIII, for Class II milk not less than the following prices per hundredweight:

1. In the case of milk delivered to a handler's plant located not more than forty (40) miles from the State House in Boston, a price which the Market Administrator shall calculate as follows: Divide by 33 the weighted average price per 40-quart can of bottling quality cream in the Boston Market, as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, multiply the result by 3.7, add 10 cents and subtract 23 cents; and

2. In the case of milk delivered to a handler's plant located more than forty (40) miles from the State House in Boston, the price calculated by the Market Administrator, pursuant to paragraph 1 of this section, minus six (6) cents.

Sec. 4. Sales Outside the Marketing Area. The price to be paid by each handler to associations of producers or to producers, in the manner set forth in article VIII, for milk utilized as Class I milk outside the Marketing Area, shall be the price applicable pursuant to sections 1 and 2 of this article adjusted by (a) the difference between such applicable price and the price ascertained by the Market Administrator as the prevailing price paid by producers for milk of equivalent use in the market where such Class I milk is utilized and (b) the difference between the freight allowance, if any, set forth in paragraph 2 of section 2 of this article and an amount equal to the carload freight rate approved by the Interstate Commerce Commission for movement of milk in 40-quart cans from the shipping point for the plant where such Class I milk is received from producers to the railroad delivery point serving the market where such Class I milk is sold; provided, that (1) if the market where such Class I milk is utilized is less than ten (10) miles from the plant where such Class I milk is received from producers, the railroad shipping point for such plant shall be presumed to be the railroad delivery point serving such market, and (2) if the market where such Class I milk is utilized is located in Barnstable, Plymouth, Norfolk, Dukes and Nantucket counties, Massachusetts, such handler's railroad delivery point in the Marketing Area shall be considered to be the railroad delivery point serving such market.

Sec. 5. Publication of Class II Price. On or before the fifth day after the end of each delivery period, the Market Administrator shall publicly announce the Class II price in effect for such delivery period.

ARTICLE V -- REPORTS OF HANDLERS

Section 1. Periodic Reports. On or before the eighth day after the end of each delivery period, each handler shall, except as set forth in section 1 of article VI, with respect to milk or cream which was, during such delivery period, (a) received from producers, (b) received from handlers, and (c) produced by such handler, report to the Market Administrator, in the detail and form prescribed by the Market Administrator, as follows:

1. The receipts at each plant from producers who are not handlers and the quantity of such receipts which is the total of all milk

delivered in excess of the respective bases calculated for each producer pursuant to section 4 of article VII;

2. The receipts at each plant from any other handler, including any handler who is also a producer;

3. The quantity, if any, produced by such handler; and

4. The respective quantities of milk which were sold, distributed or used, including sales to other handlers, for the purpose of classification pursuant to article III.

Sec. 2. Reports as to Producers. Each handler shall report to the Market Administrator:

1. Within ten (10) days after the Market Administrator's request with respect to any producer for whom such information is not in the files of the Market Administrator, and with respect to a period or periods of time designated by the Market Administrator, (a) the name and address, (b) the total pounds of milk delivered, (c) the average butterfat test of milk delivered, and (d) the number of days upon which deliveries were made; and

2. As soon as possible after first receiving milk from any producer: (a) the name and address of such producer, (b) the date upon which such milk was first received, (c) the plant at which such producer delivered milk, and (d) the plant, if known, at which such producer delivered milk immediately prior to the beginning of delivery to such handler.

Sec. 3. Reports of Payments to Producers. Each handler shall submit to the Market Administrator within thirty (30) days after the end of each delivery period his producer payroll for such delivery period which shall show for each producer: (a) the total delivery of milk with the average butterfat test thereof, (b) the portion of such delivery which was in excess of the base of such producer, and (c) the net amount of such producer's payment, with the prices, deductions and charges involved.

Sec. 4. Outside Cream Purchases. Each handler shall report, as requested by the Market Administrator, his purchases, if any, of bottling quality cream from handlers who receive no milk from producers, showing the quantity and the source of each such purchase and the cost thereof at Boston.

Sec. 5. Verification of Reports. In order that the Market Administrator may submit verified reports to the Secretary pursuant to paragraph 3 of section 4 of article II, each handler shall permit the Market Administrator or his agent, during the usual hours of business, to (a) verify the information contained in reports submitted in accordance with this article and (b) weigh, sample and test milk for butterfat.

ARTICLE VI -- HANDLERS WHO ARE ALSO PRODUCERS

Section 1. Application of Provisions. No provision hereof shall

apply to a handler who is also a producer and who purchases no milk from producers or an association of producers, except that such handler shall make reports to the Market Administrator at such time and in such manner as the Market Administrator may request.

Sec. 2. Milk Purchased from Producers. In the case of a handler who is also a producer and who purchases milk from producers or an association of producers, the Market Administrator shall, in the computations set forth in article VII, first exclude the milk purchased by such handler in each class from other handlers and then apportion the milk purchased by him from producers or an association of producers to each class according to the ratio which his ~~remaining~~ total sales in each class bear to his remaining total sales in all classes.

ARTICLE VII -- DETERMINATION OF UNIFORM PRICES TO PRODUCERS

Section 1. Computation of Value of Milk for Each Handler. For each delivery period the Market Administrator shall compute, subject to the provisions of article VI, the value of milk sold or used by each handler, which was not purchased from other handlers, by (a) multiplying the quantity of such milk in each class by the price applicable pursuant to sections 2, 3 and 4 of article IV and (b) adding together the resulting value of each class.

Sec. 2. Computation and Announcement of Uniform Prices. The Market Administrator shall compute and announce the uniform prices per hundredweight of milk delivered during each delivery period in the following manner:

1. Combine into one total the respective values of milk, computed pursuant to section 1 of this article, for each handler who made the report as required by section 1 of article V for such delivery period and who made the payments required by article VIII for milk recieved during the delivery period next preceding but one;

2. Add the total net amount of the differentials applicable pursuant to section 4 of article VIII;

3. Subtract the total amount to be paid to producers pursuant to paragraphs 2, 3, and 4 of section 1 of article VIII;

4. Divide by the total quantity of milk which is included in these computations and which is not in excess of the total of the respective bases of producers whose farms are located more than forty (40) miles from the State House in Boston;

5. Subtract not less than four cents (4¢) nor more than five cents (5¢) for the purpose of retaining a cash balance in connection with the payments set forth in paragraph 5 of section 1 of article VIII;

6. Add an amount which will distribute any cash balance available pursuant to section 3 of this article; and

7. On or before the 12th day after the end of each delivery period mail to all handlers and publicly announce (a) such of these computations as do not disclose information confidential pursuant to section 8d of the Act, (b) the blended price per hundredweight which is the result of these computations, and (c) the Class II price.

Sec. 3. Distribution of Cash Balance. For each delivery period, the Market Administrator shall distribute, by an appropriate addition pursuant to section 2 of this article, the cash balance, if any, in his hands arising out of payments from handlers (to meet obligations arising out of paragraph 5 of section 1 of article VIII) during the delivery period next preceding but one.

Sec. 4. Base Rating. The Market Administrator shall calculate, as the base of each producer a quantity of milk for each delivery period in the following manner: Multiply the figure determined pursuant to the applicable paragraph of section 5 or section 6 of this article by the number of days on which such producer delivered milk during such delivery period.

Sec. 5. Bases through March 31, 1937. In calculating, pursuant to section 4 of this article, bases to be in effect up to and including March 31, 1937, the Market Administrator shall determine with respect to milk, or the milk equivalent of cream, delivered in bulk to processors from the farm operated by such producer:

1. In the case of each producer for whom the necessary information is submitted to the Market Administrator with respect to, and from whose farm some milk or cream was delivered in bulk to processors in, each month of one or more of the calendar years 1933, 1934, and the year ending September 30, 1935, that figure which is highest of the following six (6) calculations, or such of these six (6) calculations as are possible from available information: the average delivery per day during the quarter in which the average delivery per day was lowest, respectively, in the calendar year 1933, the calendar year 1934 and the twelve (12) months ending September 30, 1935; or 75 percent of the average delivery per day, respectively, during the calendar year 1933, the calendar year 1934 and the twelve (12) months ending September 30, 1935.

2. In the case of each producer for whom complete information with respect to none of the calendar years 1933, 1934, or the year ending September 30, 1935, is submitted to the Market Administrator, or from whose farm, according to such information, no milk or cream was delivered in bulk to processors in one or more months in each of the calendar years 1933, 1934, and the year ending September 30, 1935, until a satisfactory record of deliveries of milk in twelve consecutive months subsequent to October 1934 becomes available to the Market Administrator, that figure which is 75 percent of the average delivery per day during the consecutive months subsequent to October 1934 and immediately prior to the date hereof, for which a record of milk deliveries is available to the Market Administrator; and, when a satisfactory record of deliveries of milk for twelve consecutive months following October 1934 becomes available to the Market

Administrator, that figure which is higher of the two following calculations: 75 percent of the average delivery per day throughout such twelve consecutive months, and the average delivery per day during the three consecutive months of such twelve months in which the average delivery per day was lowest.

3. In the case of each producer who did not regularly sell milk for a period of thirty (30) days prior to the effective date hereof to a handler or to persons within the Marketing Area, that figure which is equal to the same percentage of his average delivery per day during the period when he receives the Class II price pursuant to paragraph 4 of section 1 of article VIII as is the relationship between (a) the total deliveries of all producers not in excess of their respective bases during such period, and (b) the total deliveries of all producers.

4. In the case of a producer who, as a tenant or landlord, moves his entire herd from one farm to another farm: the higher of the two figures from which have been calculated, pursuant to section 4 of this article, respectively, (a) the base in effect for the farm from which the herd is moved and (b) the base in effect for the farm to which the herd is moved.

Sec. 6. Bases after March 31, 1937. In calculating, pursuant to section 4 of this article, bases to be in effect after March 31, 1937, the Market Administrator shall determine with respect to milk delivered in bulk to processors from the farm operated by such producer:

1. In the case of bases which are to be in effect during the period from April 1, 1937 to March 31, 1938, that figure which is the higher of (a) the average delivery per day during the three months of the calendar year 1936 in which deliveries of milk were lowest and (b) sixty (60) percent of the average delivery per day throughout the calendar year 1936; and

2. In the case of bases which are to be in effect for the year beginning April 1, 1938, and for each year thereafter beginning April 1, that figure which is the higher of (a) the average delivery per day during the three months of the next preceding calendar year in which deliveries were lowest and (b) forty (40) percent of the average delivery per day throughout such calendar year.

Sec. 7. Recommendations. Prior to January 1, 1937, the Market Administrator shall recommend to the Secretary amendments to this article which will provide for an equitable method of base rating with respect to those producers for whom, due to fortuitous circumstances or otherwise, the provisions of section 6 of this article would result in bases inequitable as compared with the bases of other producers.

ARTICLE VIII -- PAYMENTS FOR MILK

Section 1. Time and Method of Payment. On or before the 25th day after the end of each delivery period, each handler shall make payments,

subject to the butterfat differential set forth in section 3 of this article, for the total value of milk received during such delivery period as required to be computed pursuant to section 1 of article VII, as follows:

1. To producers, except as set forth in paragraph 2 of this section, at the blended price per hundredweight computed pursuant to section 2 of article VII, subject to the differentials set forth in paragraphs 1 and 2 of section 4 of this article, for that quantity of milk delivered by each producer not in excess of the base of such producer;

2. To any producer, whose farm is located within forty (40) miles of the State House in Boston and who delivers milk to such handler at a plant located within forty (40) miles of the State House in Boston, at \$3.30 per hundredweight for that quantity of milk delivered by such producer not in excess of the base of such producer;

3. To producers, at the Class II price, subject to the differential set forth in paragraph 3 of section 4 of this article, for that quantity of milk delivered by each producer in excess of his base;

4. To any producer, who did not regularly sell milk for a period of thirty (30) days prior to the effective date hereof to a handler or to persons within the Marketing Area, at the Class II price, subject to the differential set forth in paragraph 3 of section 4 of this article, for all the milk delivered by such producer during the period beginning with the first regular delivery of such producer and continuing until the end of two full calendar months following the first day of the next succeeding calendar month;

5. To producers, through the Market Administrator, by paying to or receiving from the Market Administrator, as the case may be, the amount by which the payments made pursuant to paragraphs 1, 2, 3, and 4 of this section are less than, or exceed, the value of milk as required to be computed for such handler pursuant to section 1 of article VII, as shown in a statement rendered by the Market Administrator on or before the 20th day after the end of such delivery period.

Sec. 2. Errors in Payments. Errors in making any of the payments prescribed in this article shall be corrected not later than the date for making payments next following the determination of such errors.

Sec. 3. Butterfat Differential. If any producer has delivered to any handler during any delivery period milk having an average butterfat content other than 3.7 percent, such handler shall, in making the payments prescribed by paragraphs 1, 2, 3 and 4 of section 1 of this article to such producer, add for each one-tenth of one percent of average butterfat content above 3.7 percent or deduct for each one-tenth of one percent of average butterfat content below 3.7 percent an amount per hundredweight which shall be calculated by the Market Administrator as follows: Divide by 33 the weighted average price per 40-quart can of bottling quality cream in the Boston market as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, subtract 8 cents and divide the result by 10.

Sec. 4. Country Station Differentials. The payments to be made to producers by handlers pursuant to paragraphs 1, 3 and 4 of section 1 of this article shall be subject to differentials as follows:

1. With respect to that quantity of milk which is not in excess of his base, delivered by a producer to a handler's plant located more than forty (40) miles from the State House in Boston, there shall be deducted an amount per hundredweight equal to the freight (considering 85 pounds of milk per can), according to the tariff currently approved by the Interstate Commerce Commission for the transportation, in carload lots of milk in 40-quart cans, to Boston from the zone of location of the handler's plant.

2. With respect to the quantity of milk which is not in excess of his base, delivered by a producer, whose farm is located more than forty (40) miles from the State House in Boston, to a handler's plant located not more than forty (40) miles from the State House in Boston, there shall be added 21 cents per hundredweight.

3. With respect to the quantity of milk delivered by a producer, which is in excess of his base, at the plant of a handler located more than forty (40) miles from the State House in Boston, there shall be deducted six (6) cents per hundredweight.

Sec. 5. Other Differentials. In making the payments to producers set forth in paragraphs 1, 2, 3 and 4 of section 1 of this article, handlers may make deductions as follows:

1. With respect to all milk delivered by producers to the plant of a handler which is located more than forty (40) miles from the State House in Boston and which is located more than two (2) miles from a railroad shipping point, an amount not greater than 10 cents per hundredweight; provided, that such deduction has been approved and made public by the Market Administrator prior to the time of payment.

2. With respect to milk delivered by producers to a handler's plant which is located more than fourteen (14) miles, but not more than forty (40) miles, from the State House in Boston, an amount equal to 10 cents per hundredweight of Class I milk actually sold or distributed in the Marketing Area from such plant, such total amount to be deducted prorata on all that milk not in excess of the respective bases of such producers.

ARTICLE IX -- MARKETING SERVICES

Section 1. Deductions for Marketing Services. Except as set forth in section 2, each handler shall deduct five (5) cents per hundredweight from the payments made direct to producers pursuant to article VIII with respect to all milk delivered to such handler during each delivery period by producers and shall pay such deductions to the Market Administrator on or before the 25th day after the end of such delivery period. Such monies shall be expended by the Market Administrator for market information to, and for verification of

weights, sampling and testing of milk purchased from, said producers.

Sec. 2. Producers' Cooperative Association. In the case of producers for whom a cooperative association, which the Secretary determines to be qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act", is actually performing, as determined by the Secretary, the services set forth in section 1 of this article, each handler shall make the deductions from the payments to be made to such producers pursuant to paragraphs 1, 2, 3 and 4 of section 1 of article VIII which are authorized by such producers and, on or before the 25th day after the end of each delivery period, pay over such deductions to the association rendering such service.

ARTICLE X -- EXPENSE OF ADMINISTRATION

Section 1. Payments by Handlers. As his pro rata share of the expense of the administration hereof, each handler, except as set forth in section 1 of article VI shall, on or before the 25th day after the end of each delivery period, pay to the Market Administrator, a sum not exceeding two (2) cents per hundredweight with respect to all milk delivered to him during such delivery period by producers or an association of producers or produced by him, the exact amount to be determined by the Market Administrator subject to review by the Secretary; provided, that each handler, which is a cooperative association of producers, shall pay such pro rata share of expense of administration only on that milk actually received from producers at a plant of such association.

Sec. 2. Suits by Market Administrator. The Market Administrator may maintain a suit in his own name against any handler for the collection of such handler's pro rata share of expense set forth in this article.

ARTICLE XI -- ASSURANCE OF, AND SECURITY FOR, PAYMENTS TO PRODUCERS

Section 1. Amount. Each handler who purchases milk from producers or an association of producers shall, not less than ten (10) days before he is required to make his first payments pursuant to article VIII, furnish to the Market Administrator security, in manner and form satisfactory to the Secretary, payable to the Market Administrator, as assurance of, and security for, payments to be made by such handler pursuant to article VIII, in such amount as will equal the value of the milk purchased by such handler during a period of time equivalent to a delivery period. In the event that the value of milk purchased by such handler for each of three consecutive delivery periods exceeds or is less than the amount of such security, such handler shall increase or decrease the security so that said security shall equal an amount not less than one-third of the total value of milk purchased during said

three delivery periods.

Sec. 2. Bonds under State Statute. If, pursuant to a State statute, any handler has furnished the duly constituted authority charged with the duty of administering the applicable provisions of such state, a bond or other security, a part or all of which is allocable to, and assures any part of, the payments to be made to producers, such handler shall furnish to the Market Administrator, in manner and form satisfactory to the Market Administrator, security in such amount as will, when added to such allocable and otherwise conditioned amount of security furnished pursuant to such State statute, equal the amount of security required under section 1.

Sec. 3. Payments to Producers. In the event that a handler has failed to make payments, pursuant to article VIII, the Market Administrator shall, within fifteen (15) days after such failure, send by registered mail to each producer or association of producers a form for the submittal of sworn proof of claim against such handler. Upon the receipt of such proof of claim, the Market Administrator shall audit such claim and in addition cause to be audited his claim, if any, as Market Administrator against such handler, and thereupon shall determine the total payments due from such handler.

Within fifteen (15) days after the determination of the amount of said payments, the Market Administrator shall make demand by registered letter upon such handler and upon his surety, if any for the total payments. If at the expiration of fifteen (15) days from such notice, the handler, or his surety, has not satisfied such claim, the Market Administrator shall, by conversion, sale, suit or otherwise, make available the amount realizable from the security furnished the Market Administrator, and make distribution to the claimant or claimants, including the Market Administrator, in accordance with proofs filed, either ratably or in full, as the case may be.

If the amount realized from the security is more than sufficient to pay all claims, the balance arising therefrom shall be returned to such handler or the surety entitled thereto as the case may be.

Sec. 4. Release. In the event that a handler shall cease to buy milk from producers, and shall furnish proof of such cessation to the Market Administrator, the Market Administrator shall, within thirty (30) days after receipt of such proof, return the security furnished pursuant to this article.

ARTICLE XII -- RESPONSIBILITY

Section 1. Handlers. The liability of the handlers hereunder is several and not joint and no handler shall be liable for the default of any other handler.

ARTICLE XIII -- SEPARABILITY

Section 1. Separability. If any provision of this Agreement is declared invalid or the applicability thereof to any person, circumstance or thing is held invalid, the validity of the remainder of this Agreement and the applicability thereof to any other person, circumstance or thing shall not be affected thereby.

ARTICLE XIV -- DEROGATION

Section 1. Derogation. Nothing contained in this Agreement is or shall be construed to be in derogation or modification of the rights of the Secretary or of the United States (a) to exercise any powers granted by the Act or otherwise, or (b) in accordance with such powers, to act in the premises whenever such action is deemed advisable.

ARTICLE XV -- ANTI-TRUST LAWS

Section 1. Anti-trust Laws. Any exemption from the anti-trust laws and any validation of any acts or things, which otherwise would have been unlawful, resulting from the execution of this Agreement by the Secretary, shall not extend or be construed to extend further than is absolutely necessary for the purpose of carrying out the provisions of this Agreement.

ARTICLE XVI -- DURATION OF IMMUNITIES

Section 1. Duration of Immunities. The benefits, privileges, and immunities conferred by virtue of this Agreement shall cease upon its termination, except with respect to acts done under and during the existence of this Agreement, and benefits, privileges and immunities conferred by this Agreement upon any parties signatory hereto shall cease upon its termination as to such party, except with respect to acts done under and during the existence of this Agreement.

ARTICLE XVII -- AGENTS

Section 1. Agents. The Secretary may, by a designation in writing, name any person (not a party to this Agreement) including any officer or employee of the Government, or name any bureau or Division in the Department of Agriculture, to act as his agent or representative in connection with any of the provisions of this Agreement.

ARTICLE XVIII -- ORDER WITH MARKETING AGREEMENT

Section 1. Request for Order. Each signatory handler hereby requests the Secretary to issue an Order pursuant to the Act regulating the handling of milk in the Marketing Area, in the same manner as provided in this Agreement.

ARTICLE XIX -- ADDITIONAL PARTIES AND COUNTERPARTS

Section 1. Additional Parties. After this Agreement first takes effect, any handler may become a party to this Agreement if a counterpart thereof is executed by him and by the Secretary. This Agreement shall take effect, as to such handler, at such time as the Secretary may declare above his signature attached to such counterpart, and the benefits, privileges and immunities conferred by this Agreement shall then be effective as to such handler.

Sec. 2. Counterparts. This Agreement may be executed in multiple counterparts, and when one counterpart is signed by the Secretary, all such counterparts shall constitute, when taken together, one and the same instrument as if all such signatures were obtained in one original.

ARTICLE XX -- AMENDMENTS

Section 1. Proposals. Amendments to this Agreement may, from time to time, be proposed by any party hereto.

Sec. 2. Hearing and Approval. After due notice and hearing and upon the execution of the proposed amendments by 50 percent or more handlers, who during the month preceding the execution of said amendment or amendments, handled not less than 50 percent of the milk handled in the Marketing Area, the Secretary may approve such amendments, which shall be effective as provided in article XXII.

ARTICLE XXI -- EFFECTIVE TIME AND TERMINATION AND SUSPENSION

Section 1. Effective Time. This Agreement shall become effective at such time as the Secretary may declare above his signature attached hereto, and shall continue in force until terminated in one of the ways hereinafter specified.

Sec. 2. Suspension. The Secretary may at any time suspend this Agreement, or any provision thereof, as to any or all parties thereto by giving at least one (1) day's notice by means of a press release, or in any other manner which the Secretary may determine.

Sec. 3. Termination. 1. The Secretary may at any time terminate this Agreement or any provision thereof as to all parties hereto by giving at least one (1) day's notice by means of a press release, or in any other manner which the Secretary may determine.

2. The Secretary may at any time terminate this Agreement as to any party signatory hereto by giving at least one (1) day's notice by depositing the same in the mail and addressed to such party at his last known address.

3. The Secretary shall terminate this Agreement at the end of a delivery period next following a delivery period during which such termination is requested by two-thirds of the handlers signatory to this Agreement; provided, that such requesting handlers handled not less than two-thirds of the volume of milk handled by all signatory handlers during the delivery period when such request is made.

4. This Agreement shall in any event terminate whenever the provisions of the Act authorizing it cease to be in effect.

Sec. 4. Effect. Unless otherwise provided by the Secretary in the notice of amendment, termination or suspension, of any or all provisions hereof, the amendment, termination or suspension shall not: (a) affect, waive, or terminate any right, duty, obligation or liability which shall have arisen or may thereafter arise in connection with any provision of this Agreement; (b) release or waive any violation of this Agreement occurring prior to the effective date of such amendment, termination or suspension; or (c) affect or impair any rights or remedies of the Secretary, or of any other person, with respect to any such violation.

Sec. 5. Continuing Power and Duty. If, upon the termination or suspension of this Agreement, there are any obligations arising thereunder, the final accrual or ascertainment of which requires further acts by any party thereto, or by the Market Administrator hereunder, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such termination or suspension; provided, that any such acts required under the terms of this Agreement shall be performed by the Market Administrator, functioning at the effective time of such termination or suspension, or, if the Secretary shall so direct, by such other person, persons or agency as the Secretary may designate.

The Market Administrator, or such other person as the Secretary may designate, (a) shall continue in such capacity until discharged by the Secretary, (b) from time to time account for all receipts and disbursements and deliver all funds or property on hand, together with the books and records of the Market Administrator, or such person, to such person as the Secretary shall direct, and (c) if so directed by the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property and claims vested in the Market Administrator or such person pursuant to this Agreement.

Sec. 6. Liquidation after Termination or Suspension. Upon the termination or suspension of this Agreement or of any provision thereof, the Market Administrator, or such person as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the Market Administrator's office, and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid and owing at the time of such termination or suspension. Any funds collected pursu-

ant to the provisions of this Agreement over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the Market Administrator or such person in liquidating and distributing such funds, shall be distributed to the contributing handlers and producers in an equitable manner.

ARTICLE XXII --- SIGNATURES OF PARTIES

IN WITNESS WHEREOF the contracting parties, acting under the provisions of the Agricultural Adjustment Act, as amended, for the purposes and subject to the limitations herein contained, and not otherwise, have hereunto set their respective hands and seals.

Seal _____

By _____

Attest _____

Date _____ 193__

NOW, THEREFORE _____, the Secretary of Agriculture, acting under the provisions of the Agricultural Adjustment Act, as amended, for the purposes and within the limitations therein contained, and not otherwise, does hereby execute this Agreement in duplicate under his hand and the official seal of the Department of Agriculture, in the city of Washington, District of Columbia, on this _____ day of _____, 1936, and pursuant to the provisions hereof declares this Agreement to be effective on and after _____, eastern standard time, 1936.

RECORD OF MILK HANDLED
DURING THE MONTH OF NOVEMBER 1935

The undersigned certifies that to the best of his knowledge,
as shown by his books and records, he handled during the month of
November 1935 _____ hundredweight of milk
covered by this agreement and marketed within the Greater Boston,
Massachusetts, Marketing Area.

SEAL _____
(Signed)

BY _____

_____, being duly sworn,
deposes and says that he has read the foregoing statement by him
subscribed and knows the contents thereof and that the same are
true and correct to the best of his knowledge and belief.

Notary Public

AUTHORIZATION TO CORRECT TYPOGRAPHICAL ERRORS
TO BE EXECUTED BY ALL SIGNERS

We, the undersigned, hereby authorize E. W. Gaumnitz to consent on our behalf to the correction of any typographical errors which the Agricultural Adjustment Administration may consider it advisable to make in the Marketing Agreement Regulating the Handling of Milk in the Greater Boston, Massachusetts, Marketing Area.

Date Firm Name

By _____
Name Title - Seal
(If corporation)

Corporation only

CERTIFICATE OF RESOLUTION

At a duly convened meeting of the Board of Directors of

_____ held at
_____ on the _____ day of
_____, 1936, the following resolution was adopted:

RESOLVED, that _____
shall become a party to the Marketing Agreement Regulating the Handling of Milk in the Greater Boston, Massachusetts, Marketing Area, as read and explained to the meeting, and it is further RESOLVED, That

_____(title)
and _____(title),

be, and hereby are authorized and directed to sign, execute, and deliver a counterpart of said agreement attached hereto, to the Secretary of Agriculture, together with an authorization naming E. W. Gaumnitz to correct typographical errors.

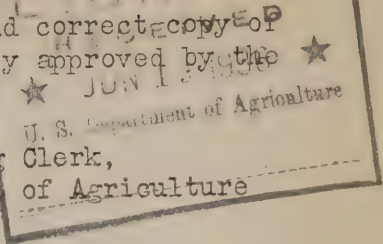
I, _____ Secretary of

_____ do hereby certify that this is a true and correct copy of a resolution adopted at the above-named meeting, as said resolution appears in the minutes thereof.

Address of firm SEAL
AND SEAL AT SIGNATURE LINE IN BODY OF CONTRACT

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

I hereby certify that this document is a true and correct copy of the said Marketing Agreement, as amended, as tentatively approved by the Secretary of Agriculture, May 23, 1936.



Dated: May 23, 1936
Washington, D. C.

Hearing Clerk,
U. S. Department of Agriculture

TENTATIVELY APPROVED MARKETING AGREEMENT, AS AMENDED,
REGULATING THE HANDLING OF MILK IN THE
GREATER BOSTON, MASSACHUSETTS, MARKETING AREA

WHEREAS, pursuant to Title I of the Agricultural Adjustment Act, approved May 12, 1933, as amended, hereinafter called the act, the Secretary of Agriculture, hereinafter called the Secretary, on January 18, 1936, tentatively approved a Marketing Agreement Regulating the Handling of Milk in the Greater Boston, Massachusetts, Marketing Area; and

WHEREAS, the Secretary, having reason to believe that an amendment should be made to said tentatively approved marketing agreement, gave, on the 4th day of May 1936, notice of a hearing to be held on the 8th day of May 1936 at Concord, New Hampshire, on a proposed amendment to said tentatively approved marketing agreement, and at said time and place conducted a public hearing at which all interested parties were afforded an opportunity to be heard on the proposed amendment to said tentatively approved marketing agreement; and

WHEREAS, the parties hereto, in order to effectuate the declared policy of the act, desire to enter into a marketing agreement under the provisions of Title I, section 8b of the act, said marketing agreement containing the provisions of the aforementioned tentatively approved marketing agreement as amended after the aforementioned hearing;

NOW, THEREFORE, the parties signatory hereto (said parties being the handlers and the Secretary) agree (a) that the provisions of the said marketing agreement as tentatively approved by the Secretary on the 18th day of January 1936, except as herein amended, shall be the provisions of the marketing agreement as if set out in full herein; and (b) that said provisions be and are hereby amended as follows:

A. Change the minimum prices set forth in article IV by substituting as follows: \$2.96 for \$3.42 in section 1, paragraph 1; \$2.91 for \$3.37 in section 1, paragraph 2; \$2.84 for \$3.30 in section 2, paragraph 1; \$2.63 for \$3.09 in section 2, paragraph 2; and 15 cents for 10 cents in section 3, paragraph 1.

B. Delete section 2 of article III and substitute therefor the following:

"Sec. 2. Inter-handler Sales. Milk, including skim milk, sold by a handler to another handler shall be presumed to be Class I milk. In the event that such selling handler, on or before the date fixed for filing reports pursuant to article V, notifies the Market Administrator that such milk, or part thereof, has been sold or used by the purchasing handler other than as Class I milk, such milk, or part thereof, shall be classified as Class II milk; provided, that if such selling handler does not, on or before the 15th day after the end of the delivery period during which such sale was made, furnish proof satisfactory to the Market Administrator in support of the above notification, such milk or part thereof shall then be classified as Class I milk and so included in the statement rendered to the selling handler pursuant to paragraph 5 of section 1 of article VIII."

C. Delete section 3 of article III and substitute therefor the following:

"Sec. 3. Sales to Non-handlers. Milk, including skim milk, sold by a handler to a person who is not a handler and who distributes milk or manufactures milk products shall be presumed to be Class I milk. In the event such selling handler, on or before the date fixed for filing reports pursuant to article V, notifies the Market Administrator that such milk, or part thereof, has been sold by such purchaser other than as milk, chocolate milk, or flavored milk, such milk, or part thereof, shall be classified as Class II milk; provided, that if such selling handler does not, on or before the 15th day after the end of the delivery period during which such sale was made, furnish proof satisfactory to the Market Administrator in support of the above notification, such milk or part thereof shall then be classified as Class I milk and so included in the statement rendered to the selling handler pursuant to paragraph 5 of section 1 of article VIII."

D. Add to section 2 of article IV, as a new paragraph 3 thereof, the following:

"3. For the purpose of this section the milk which was sold or distributed, during each delivery period, by each handler as Class I milk shall be presumed to have been that milk which was received at such handler's plant located not more than 40 miles from the State House in Boston (a) directly from producers' farms and (b) from the nearest plants located more than 40 miles from the State House in Boston.

E. Delete section 2 of article VI and substitute therefor the following:

"Sec. 2. Milk Purchased from Producers. In the case of a handler who is also a producer and who purchased milk from pro-

ducers, the Market Administrator shall, before making the computations set forth in article VII, (a) exclude from such handler's Class I milk up to but not exceeding 90 percent of the quantity of milk produced and sold by him, (b) exclude the milk purchased by him in each class from other handlers, and (c) exclude from his remaining Class II milk the balance of the milk produced and sold by him."

F. Add the following sentence to section 1 of article VII:

"In the event that milk, including skim milk, is sold by a handler to another handler and such selling handler has not filed reports pursuant to section 1 of article V and made the payments required by article VIII, the Market Administration shall, in computing the value of milk sold or distributed by the purchasing handler, multiply the quantity of milk reported by the purchasing handler as purchased from such selling handler and sold or distributed as Class I milk by the difference between the applicable Class I and Class II prices, and add the resulting sum to the value of milk otherwise computed pursuant to this section."

G. Delete section 3 of article VII and substitute therefor the following:

"Sec. 3. Proration of Cash Balance. For each delivery period the Market Administrator shall prorate, by an appropriate addition pursuant to section 2 of this article, the cash balance, if any, in his hands from payments made by handlers for milk received during the delivery period next preceding but one, to meet obligations arising out of paragraph 5 of section 1 of article VIII."

H. Delete section 4 of article VII and substitute therefor the following:

"Sec. 4. Base Rating. The base of each producer shall be a quantity of milk for each delivery period calculated in the following manner: Multiply the figure effective, pursuant to section 5, 6, 7, or 8 of this article, for the farm operated by such producer, by the number of days in such delivery period."

I. Add as paragraph 3 of section 5 of article VII the following:

"3. If, upon application of any producer, the Market Administrator finds that the figure effective for such producer pursuant to paragraph 1 of this section was less than 60 percent of such producer's average daily delivery during the months of January, February, and March 1936, the figure effective for such producer, after the end of the delivery period in which such application is received, and until March 31, 1937, shall be 75 percent of such producer's average daily delivery during the months of the year ending March 31, 1936, in which handlers re-

port deliveries from such producer, in lieu of the figure effective pursuant to paragraph 1 of this section."

J. Delete paragraphs 3 and 4 of section 5 and also sections 6 and 7 of article VII and add the following as new sections 6, 7, and 8 of article VII:

"Sec. 6. Bases under Special Situations. For calculating pursuant to section 4 of this article, bases of producers in any of the situations described in this section, the Market Administrator shall determine, with respect to milk delivered in bulk to handlers:

"1. In the case of each producer to whom payments were required to be made pursuant to paragraph 4 of section 1 of article VIII, that figure, effective for 10 months, which is equal to the same percentage of his average delivery per day during the period when payments are required to be made to such producer pursuant to paragraph 4 of section 1 of article VIII as is the relationship between (a) the total deliveries of all producers not in excess of their respective bases during such period and (b) the total deliveries of all producers; and that figure, effective thereafter until March 31 next succeeding, which is his average delivery per day during the three consecutive months in which his average delivery per day was lowest of the twelve consecutive full calendar months immediately following the date when such producer began to deliver milk; provided, that any such figure effective prior to March 31, 1938, shall not be less than 65 percent and after March 31, 1938, 50 percent, of such producer's average delivery per day throughout such twelve months.

"2. In the case of a producer who, as a tenant, has operated a farm for a period of one year or more and who moves the entire herd from such farm to another farm: The higher of the two figures, respectively, effective for (a) the farm from which the herd is moved and (b) the farm to which the herd is moved.

"Sec. 7. Bases from April 1, 1937 through March 31, 1938. For calculating, during the period of time from April 1, 1937, through March 31, 1938, pursuant to section 4 of this article, bases of producers, the Market Administrator shall determine, with respect to milk which was delivered in bulk to handlers from the farm currently operated by each producer, as shown in reports of handlers made pursuant to sections 2 and 3 of article V, that figure which is higher of (a) the average delivery per day during the quarter of the calendar year 1936 in which the average delivery per day was lowest and (b) 65 percent of the average delivery per day throughout the calendar year 1936; provided, that in no event shall such figure be less than the higher of (a) 65 percent of the average delivery per day throughout the calendar years 1934 and 1935, and (b) the average delivery per day during two quarters of the years 1934 and 1935 each of which was the quarter of its respective year when such producer's average delivery per day was lowest in that year.

"Sec. 8. Bases after March 31, 1938. For calculating, after March 31, 1938, pursuant to section 4 of this article, bases of producers the Market Administrator shall determine, with respect to milk which was delivered in bulk to handlers from the farm currently operated by each producer, as shown in reports of handlers made pursuant to sections 2 and 3 of article V, that figure, effective for one year beginning April 1, which is higher of (a) the average delivery per day during the quarter of the next preceding calendar year in which the average delivery per day was lowest and (b) 50 percent of the average delivery per day throughout such calendar year; provided, that in no event shall such figure be less than the higher of (a) 50 percent of the average delivery per day throughout the two calendar years next preceding such calendar year, and (b) the average delivery per day during two quarters of such two calendar years each of which was the quarter in its respective year when such producer's average delivery per day was lowest in that calendar year."

K. Delete paragraph 4 of section 1 of article VIII and substitute therefor the following:

"4. To any producer, who did not regularly sell milk for a period of 30 days prior to the effective date hereof to a handler or to persons within the Marketing Area, and who operates a farm for which no figure is effective pursuant to sections 5, 7, or 8 of article VII, at the Class II price, subject to the differential set forth in paragraph 3 of section 4 of this article, for all the milk delivered by such producer during the period beginning with the first regular delivery of such producer and continuing until the end of the two full calendar months following the first day of the next succeeding calendar month."

L. Delete section 1 of article X and substitute therefor the following:

"Sec. 1. Payment by Handlers. As his pro rata share of the expense of administration hereof, each handler, except as set forth in section 1 of article VI shall, on or before the 25th day after the end of each delivery period, pay to the Market Administrator a sum not exceeding 2 cents per hundredweight with respect to all milk received by him from producers or produced by him during such delivery period, the exact sum to be determined by the Market Administrator subject to review by the Secretary."

M. Delete article XI and renumber the remaining articles consecutively beginning with number XI.

IN WITNESS WHEREOF the contracting handlers, acting under the provisions of the Agricultural Adjustment Act, as amended, for the

purposes and subject to the limitations herein contained, and not otherwise, have hereunto set their respective hands and seals:

Seal_____

By_____

Attest_____

Date_____, 193__

NOW, THEREFORE,
Secretary of Agriculture, acting under the provisions of the Agricultural Adjustment Act, as amended, for the purposes and within the limitations therein contained, and not otherwise, does hereby execute this Agreement in duplicate under his hand and the official seal of the Department of Agriculture, in the City of Washington, District of Columbia, on this day of , 1936, and, pursuant to the provisions hereof, declares this Agreement to be effective on and after , 1936,

Secretary of Agriculture.

Docket No. A-51
6-51

Notice of hearing signed
by Secretary of Agriculture
June 24, 1937

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

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PROPOSAL TO AMEND THE TENTATIVELY APPROVED ★ JUL 7 1937 ★
MARKETING AGREEMENT AND ORDER NO. 4 REGULATING THE
HANDLING OF MILK IN THE GREATER BOSTON, MASSACHUSETTS,
MARKETING AREA

WHEREAS, pursuant to Title I of Public No. 10, 73d Congress, as amended, the Secretary of Agriculture on January 18, 1936, tentatively approved a marketing agreement and on February 7, 1936, issued Order No. 4, both of which regulate the handling of milk in the Greater Boston, Massachusetts, Marketing Area; and

WHEREAS, the Secretary has reason to believe that an amendment should be made to said tentatively approved marketing agreement and said order;

NOW, THEREFORE, pursuant to the Agricultural Marketing Agreement Act of 1937, which reenacts and further amends Public No. 10, 73d Congress, as amended and as reenacted thereby, the Secretary has issued notice of hearings to be held at St. Johnsbury, Vermont, on June 30, 1937; at Augusta, Maine, on July 1, 1937; and at Boston, Massachusetts, on July 2, 1937, for the purpose of receiving evidence as to the following proposed amendments to said order and said marketing agreement, and as to such other amendments as may be proposed at such hearings:

A. Delete paragraphs 1 and 9 from section 1 of article I and insert the following as a new paragraph 1 of section 1 of article I:

"1. 'Act' means the Agricultural Marketing Agreement Act of 1937 which reenacts and further amends Public No. 10, 73d Congress, as amended."

B. Delete paragraph 5 from section 4 of article II and insert in lieu thereof the following:

"5. Publicly disclose to handlers and producers, unless otherwise directed by the Secretary, the name of any person, who within fifteen days after the date upon which he is required to perform such acts, has not (a) made reports pursuant to article V or (b) made payments pursuant to article VIII;"

C. Delete article III and insert in lieu thereof the following:

"ARTICLE III -- CLASSIFICATION OF MILK

"Section 1. Sales and Use Classification.-- Milk purchased or handled by handlers shall be classified as follows:

"1. All milk sold or distributed as milk, chocolate milk, or flavored milk and all milk not specifically accounted for as Class II milk shall be Class I milk; and

"2. Milk specifically accounted for (a) as being sold, distributed, or disposed of other than as milk, chocolate milk, or flavored milk and (b) as actual plant shrinkage within reasonable limits shall be Class II milk.

"Sec. 2. Interhandler or Nonhandler Sales.- Milk, including skim milk, sold by a handler to another handler or to a person who is not a handler and who distributes milk or manufactures milk products shall be presumed to be Class I milk. In the event that such selling handler, on or before the date fixed for filing reports pursuant to article V, notifies the Market Administrator that such milk, or a part thereof, has been sold or used by such purchaser other than as Class I milk, such milk, or part thereof, shall be classified as Class II milk; provided, that if such selling handler does not, on or before the fifteenth day after the end of the delivery period during which such sale was made, furnish proof satisfactory to the Market Administrator in support of the above notification, such milk or part thereof shall then be classified as Class I milk and so included in the statement rendered to the selling handler pursuant to paragraph 3 of section 1 of article VIII."

D. Delete sections 1, 2, and 3 of article IV and insert in lieu thereof the following:

"Section 1. Class I Prices to Associations of Producers.- Each handler shall pay any association of producers for Class I milk containing 3.7 percent butterfat not less than the following prices:

"1. \$3.31 per hundredweight for such milk delivered from the plant to such association to such handler's plant located not more than forty miles from the State House in Boston;

"2. \$3.26 per hundredweight for such milk delivered from the plant of such association to such handler at a railroad delivery point not more than forty miles from the State House in Boston; and

"3. If such milk is delivered containing butterfat more or less than 3.7 percent such handler shall add or subtract, as the case may be, a differential for each one-tenth of one percent above or below 3.7 percent, which is the result of dividing by 330 the cream price used in paragraph 1 of section 3 of this article.

"Sec. 2. Class I Prices to Producers.- Each handler shall pay producers, in the manner set forth in article VIII, for Class I milk delivered by them, not less than the following prices:

"1. \$3.19 per hundredweight for such milk delivered from producers' farms to such handler's plant located not more than forty miles from the State House in Boston;

"2. \$3.01 per hundredweight for such milk delivered from producers' farms to such handler's plant located more than forty miles from the State House in Boston, less an amount per hundredweight equal to the freight from the railroad shipping point for such handler's plant to such handler's railroad delivery point in the Marketing Area. Such freight shall be calculated according to applicable rail tariffs for the transportation in carload lots of milk in forty-quart cans and each such can shall be considered to contain 85 pounds of milk;

"3. For the purpose of this section the milk which was sold or distributed, during each delivery period, by each handler as Class I milk shall be presumed to have been that milk which was received at such handler's plant located not more than forty miles from the State House in Boston (a) directly from producers' farms and (b) from the nearest plants located more than forty miles from the State House in Boston.

"Section 3. Class II prices.- Each handler shall pay producers, in the manner set forth in article VIII, for Class II milk not less than the following prices per hundredweight:

"1. In the case of such milk delivered to a handler's plant located not more than forty miles from the State House in Boston, a price which the Market Administrator shall calculate as follows: Divide by 33 the weighted average price per forty quart can of bottling quality cream in the Boston market, as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, multiply the result by 3.7, and add 2.125 times the average of the weekly quotations per pound of domestic, 20-30 mesh, casein in bags delivered in carload lots at New York, as published by the Oil, Paint and Drug Reporter during such delivery period, subtract 14 cents, and subtract 26 cents; and

"2. In the case of such milk delivered to a handler's plant located more than forty miles from the State House in Boston, the price calculated by the Market Administrator, pursuant to paragraph 1 of this section, minus six cents."

E. Delete the words following the word "handlers" in paragraph 1 of section 1 of article V, delete section 3 of article V and insert in lieu thereof the following:

"Sec. 3 Reports of Payments to Producers.- Each handler shall submit to the Market Administrator within thirty days after the end of each delivery period his producer pay roll for such delivery period which shall show for each producer: (a) The total delivery of milk with the average butterfat test thereof and (b) the net amount of such producer's payment, with the prices, deductions, and charges involved."

F. Delete article VII and insert in lieu thereof the following:

"ARTICLE VII - DETERMINATION OF UNIFORM PRICES TO PRODUCERS

"Section 1. Computation of Value of Milk for Each Handler.- For each delivery period the Market Administrator shall compute, subject to the provisions of article VI, the value of milk sold or used by each handler, which was not purchased from other handlers, by (a) multiplying the quantity of such milk in each class by the price applicable pursuant to sections 2, 3, and 4 of article IV and (b) adding together the resulting value of each class.

"Sec. 2. Computation and Announcement of Uniform Prices.- The Market Administrator shall compute and announce the uniform prices per hundredweight of milk delivered during each delivery period in the following manner:

"1. Combine into one total the respective values of milk, computed pursuant to section 1 of this article, for each handler who made the report as required by section 1 of article V for such delivery period and who made the payments required by article VIII for milk received during the delivery period next preceding but one;

"2. Add the total net amount of the differentials applicable pursuant to section 4 of article VIII;

"3. Subtract the total amount to be paid to producers pursuant to paragraph 2 of section 1 of article VIII;

"4. Divide by the total quantity of milk which is included in these computations except that milk required to be paid for pursuant to paragraph 2 of section 1 of article VIII;

"5. Subtract not less than four cents nor more than five cents for the purpose of retaining a cash balance in connection with the payments set forth in paragraph 3 of section 1 of article VIII;

"6. Add an amount which will prorate, pursuant to section 3 of this article, any cash balance available; and

"7. On or before the twelfth day after the end of each delivery period mail to all handlers and publicly announce (a) such of these computations as do not disclose information confidential pursuant to the Act, (b) the blended price per hundredweight which is the result of these computations, and (c) the Class II price.

"Sec. 3 Proration of Cash Balance.-- For each delivery period the Market Administrator shall prorate, by an appropriate addition pursuant to section 2 of this article, the cash balance, if any, in his hands from payments made by handlers for milk received during the delivery period next preceding but one, to meet obligations arising out of paragraph 3 of section 1 of article VIII."

G. Delete articles VIII and IX and insert in lieu thereof the following:

ARTICLE VIII - PAYMENTS FOR MILK

"Section 1. Time and Method of Payment.--On or before the 25th day after the end of each delivery period each handler shall make payment, subject to the butterfat differential set forth in section 3 of this article, for the total value of milk received during such delivery period as required to be computed pursuant to section 1 of article VII, as follows:

"1. To each producer, except as set forth in paragraph 2 of this section, at the blended price per hundredweight computed pursuant to section 2 of article VII, subject to the differentials set forth in section 4 of this article, for the quantity of milk delivered by such producer;

"2. To any producer, who did not regularly sell milk for a period of thirty days prior to the effective date hereof to a handler or to persons within the Marketing Area, at the Class II price, in effect for the plant at which such producer delivered milk, for all the milk delivered by such producer during the period beginning with the first regular delivery of such producer and continuing until the end of two full calendar months following the first day of the next succeeding calendar month;

"3. To producers, through the Market Administrator, by paying to or receiving from the Market Administrator, as the case may be, the amount by which the payments made pursuant to paragraphs 1 and 2 of this section are less than, or exceed, the value of milk as required to be computed for such handler pursuant to section 1 of article VII, as shown in a statement rendered by the Market Administrator on or before the twentieth day after the end of such delivery period.

"Sec. 2. Errors in Payments.--Errors in making any of the payments prescribed in this article shall be corrected not later than the date for making payments next following the determination of such errors.

"Sec. 3. Butterfat Differential.--If any producer has delivered to any handler during any delivery period milk having an average butterfat content other than 3.7 percent, such handler shall, in making

the payments prescribed by paragraphs 1 and 2 of section 1 of this article to such producer, add for each one-tenth of one percent of average butterfat content above 3.7 percent, or deduct for each one-tenth of one percent of average butterfat content below 3.7 percent, an amount per hundredweight which shall be calculated by the Market Administrator as follows: Divide by 33 the weighted average price per forty-quart can of bottling quality cream in the Boston market, as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, subtract eight cents, and divide the result by ten.

"Sec. 4. Location Differentials.-- The payments to be made to producers by handlers pursuant to paragraph 1 of section 1 of this article shall be subject to differentials as follows:

"1. With respect to milk delivered by a producer to a handler's plant located more than forty miles from the State House in Boston, there shall be deducted an amount per hundredweight equal to the freight (considering 85 pounds of milk per can), according to the tariff currently approved by the Interstate Commerce Commission for the transportation, in carload lots of milk in forty-quart cans, to Boston from the zone of location of the handler's plant.

"2. With respect to milk delivered by a producer to a handler's plant located not more than forty miles from the State House, there shall be added eighteen cents per hundredweight.

"3. With respect to milk delivered by a producer whose farm is located more than forty miles, but not more than eighty miles, from the State House in Boston, there shall be added eighteen cents per hundredweight.

"4. With respect to milk delivered by a producer whose farm is located not more than forty miles from the State House in Boston, there shall be added 36 cents per hundredweight.

"Sec. 5. Other Differentials.-- In making the payments to producers set forth in paragraphs 1 and 2 of section 1 of this article, handlers may make deductions as follows:

"1. With respect to all milk delivered by producers to the plant of a handler which is located more than forty miles from the State House in Boston and which is located more than two miles from a railroad shipping point, an amount not greater than ten cents per hundredweight; provided, that such deduction has been approved and made public by the Market Administrator prior to the time of payment.

"2. With respect to milk delivered by producers to a handler's plant which is located more than fourteen miles, but not more than forty miles, from the State House in Boston, an amount equal to ten cents per hundredweight of Class I milk actually sold or distributed in the

Marketing Area from such plant, such total amount to be deducted pro rata on all milk delivered by such producers.

"ARTICLE IX - MARKETING SERVICES

"Section 1. Deductions for Marketing Services.- Except as set forth in section 2, each handler shall deduct an amount not exceeding two cents per hundredweight (the exact amount to be determined by the Market Administrator, subject to review by the Secretary) from the payments made direct to producers pursuant to article VIII with respect to all milk delivered to such handler during each delivery period by producers and shall pay such deductions to the Market Administrator on or before the 25th day after the end of such delivery period. Such monies shall be expended by the Market Administrator for market information to and for verification of weights, sampling, and testing of milk purchased from said producers.

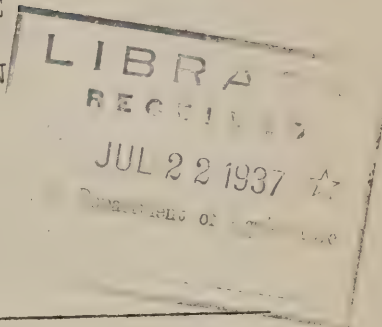
"Sec. 2. Producers' Cooperative Association.- In the case of producers for whom a cooperative association, which the Secretary determines to be qualified under the provisions of the Act of Congress of February 18, 1922, as amended; known as the 'Capper-Volstead Act', is actually performing, as determined by the Secretary, the services set forth in section 1 of this article, each handler shall make, in lieu of the deductions specified in section 1 of this article, such deductions from the payments to be made direct to such producers, pursuant to article VIII, as are authorized by such producers and, on or before the 25th day after the end of each delivery period, pay over such deductions to the association rendering such service."

H. Delete article XI and renumber the remaining articles consecutively beginning with the number XI.

1.44
B. H. M.
D. H. M.

Docket No. A-61

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION



TENTATIVELY APPROVED MARKETING AGREEMENT, AS AMENDED,
REGULATING THE HANDLING OF MILK IN THE
GREATER BOSTON, MASSACHUSETTS, MARKETING AREA

I hereby certify that this document is a true and correct copy of the said Marketing Agreement as tentatively approved by the Secretary of Agriculture, July 10, 1937.

Hearing Clerk,

U. S. Department of Agriculture

Dated: July 10, 1937

Washington, D. C.

INSTRUCTIONS FOR SIGNING MARKETING AGREEMENT

(Please read carefully before signing)

Handlers of milk who wish to enter into the Marketing Agreement, as amended, Regulating the Handling of Milk in the Greater Boston, Massachusetts, Marketing Area with the Secretary of Agriculture should fill in and sign in accordance with the following instructions:

1. The agreement should be signed in the space provided for the signer's signature and address. The type of business organization which you represent, whether corporation, partnership or individual, should be indicated with your signature. If your business is organized as a corporation, you should be sure to impress the corporate seal at the left of your signature.

2. The record of milk handled during the month of May 1937 should be properly certified as indicated on page 9.

3. The authorization to correct typographical errors on page 10 should be signed.

4. If your business is a corporation the board of directors should pass a resolution, in the form attached to the agreement on page 10, authorizing the signing of this agreement.

5. In case of partnership and corporations the agreement should be signed by persons authorized to represent the same, such authorization to be indicated.

When the above procedure has been completed, the agreement should be returned to the Hearing Clerk, Room 0318 South Building, United States Department of Agriculture, Washington, D. C.

TENTATIVELY APPROVED MARKETING AGREEMENT, AS AMENDED,
REGULATING THE HANDLING OF MILK IN THE
GREATER BOSTON, MASSACHUSETTS, MARKETING AREA

WHEREAS, pursuant to Public Number 10, 73d Congress, as amended, the Secretary of Agriculture, hereinafter called the Secretary, on January 18, 1936, tentatively approved a Marketing Agreement Regulating the Handling of Milk in the Greater Boston, Massachusetts, Marketing Area; and

WHEREAS, the Secretary, having reason to believe that an amendment should be made to said tentatively approved marketing agreement, gave, on the 24th day of June 1937, notice of a hearing to be held on the 30th day of June 1937 at St. Johnsbury, Vermont, on the 1st day of July 1937 at Boston, Massachusetts, and on the 2nd day of July 1937 at Augusta, Maine, on a proposed amendment to said tentatively approved marketing agreement, and at said times and places conducted a public hearing at which all interested parties were afforded an opportunity to be heard on the proposed amendment to said tentatively approved marketing agreement; and

WHEREAS, the parties hereto, in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, which reenacts and further amends Public Number 10, 73d Congress, desire to enter into a marketing agreement, said marketing agreement containing the provisions of the aforementioned tentatively approved marketing agreement as amended after the aforementioned hearing;

NOW, THEREFORE, the parties signatory hereto (said parties being the handlers and the Secretary) agree (a) that the provisions of the said marketing agreement as tentatively approved by the Secretary on the 18th day of January 1936, except as herein amended, shall be the provisions of the marketing agreement as if set out in full herein; and (b) that said provisions be and are hereby amended as follows:

A. Delete paragraphs 1, 5 and 9 from section 1 of article I and insert the following as new paragraphs 1 and 5 of section 1 of Article I:

"1. 'Act' means the Agricultural Marketing Agreement Act of 1937 which reenacts and further amends Public No. 10, 73d Congress as amended."

"5. 'Producer' means any person who, in conformity with the health regulations which are applicable to milk which is sold for consumption as milk in the marketing area, produces milk and distributes or delivers to a handler milk of his own production."

B. Delete paragraph 5 from section 4 of article II and insert in lieu thereof the following:

"5. Publicly disclose to handlers and producers, unless otherwise directed by the Secretary, the name of any person, who within fifteen days after the date upon which he is required to perform such acts, has not (a) made reports pursuant to article V or (b) made payments pursuant to article VIII;"

C. Delete article III and insert in lieu thereof the following:

"ARTICLE III --- CLASSIFICATION OF MILK

"Section 1. Sales and Use Classification. --- Milk purchased or handled by handlers shall be classified as follows:

"1. All milk sold or distributed as milk, chocolate milk, or flavored milk and all milk not specifically accounted for as Class II milk shall be Class I milk; and

"2. Milk specifically accounted for (a) as being sold, distributed, or disposed of other than as milk, chocolate milk, or flavored milk and (b) as actual plant shrinkage within reasonable limits shall be Class II milk.

"Sec. 2. Interhandler or Nonhandler Sales. --- Milk, including skim milk, sold by a handler to another handler or to a person who is not a handler and who distributes milk or manufactures milk products shall be presumed to be Class I milk. In the event that such selling handler, on or before the date fixed for filing reports pursuant to article V, notifies the Market Administrator that such milk, or a part thereof, has been sold or used by such purchaser other than as Class I milk, such milk, or part thereof, shall be classified as Class II milk; provided, that if such selling handler does not, on or before the fifteenth day after the end of the delivery period during which such sale was made, furnish proof satisfactory to the Market Administrator in support of the above notification, such milk or part thereof shall then be classified as Class I milk and so included in the statement rendered to the selling handler pursuant to paragraph 3 of section 1 of article VIII."

D. Delete sections 1, 2, and 3 of article IV and insert in lieu thereof the following:

"Section 1. Class I Prices to Associations of Producers.--- Each handler shall pay any association of producers for Class I milk containing 3.7 percent butterfat not less than the following prices:

"1. \$3.31 per hundredweight for such milk delivered from the plant of such association to such handler's plant located not more than forty miles from the State House in Boston;

"2. \$3.26 per hundredweight for such milk delivered from the plant of such association to such handler at a railroad delivery point not more than forty miles from the State House in Boston; and

"3. If such milk is delivered containing butterfat more or less than 3.7 percent such handler shall add or subtract, as the case may be, a differential for each one-tenth of one percent above or below 3.7 percent, which is the result of dividing by 330 the cream price used in paragraph 1 of section 3 of this article.

"Sec. 2. Class I Prices to Producers. -- Each handler shall pay producers, in the manner set forth in article VIII, for Class I milk delivered by them, not less than the following prices:

"1. \$3.19 per hundredweight for such milk delivered from producers' farms to such handler's plant located not more than forty miles from the State House in Boston;

"2. \$3.01 per hundredweight for such milk delivered from producers' farms to such handler's plant located more than forty miles from the State House in Boston, less an amount per hundredweight equal to the freight from the railroad shipping point for such handler's plant to such handler's railroad delivery point in the Marketing Area. Such freight shall be calculated according to applicable rail tariffs for the transportation in carload lots of milk in forty-quart cans and each such can shall be considered to contain 85 pounds of milk;

"3. For the purpose of this section the milk which was sold or distributed during each delivery period, by each handler as Class I milk shall be presumed to have been that milk which was received at such handler's plant located not more than forty miles from the State House in Boston (a) directly from producers' farms and (b) from the nearest plants located more than forty miles from the State House in Boston.

"Section 3. Class II prices. ---Each handler shall pay producers, in the manner set forth in article VIII, for Class II milk not less than the following prices per hundredweight:

"1. In the case of such milk delivered to a handler's plant located not more than forty miles from the State House in Boston, a price which the Market Administrator shall calculate as follows: Divide by 33 the weighted average price per forty quart can of bottling quality cream in the Boston market, as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, multiply the result by 3.7, add 2.125 times the average of the weekly quotations per pound of domestic, 20-30 mesh, casein in bags delivered in carload lots at New York, as published by the Oil, Paint and Drug Reporter during such delivery period, and subtract 42 cents; and

"2. In the case of such milk delivered to a handler's plant located more than forty miles from the State House in Boston, the price calculated by the Market Administrator, pursuant to paragraph 1 of this section, minus 6 cents."

E. Delete the words following the word "handlers" in paragraph 1 of section 1 of article V, delete section 3 of article V and insert in lieu thereof the following:

"Sec. 3. Reports of Payments to Producers.- Each handler shall submit to the Market Administrator within thirty days after the end of each delivery period his producer pay roll for such delivery period which shall show for each producer: (a) The total delivery of milk with the average butterfat test thereof and (b) the net amount of such producer's payment, with the prices, deductions, and charges involved."

F. Delete section 2 of article VI and substitute therefor the following:

"Sec. 2. Milk Purchased from Producers.- In the case of a handler who is also a producer and who purchased milk from producers, the Market Administrator shall, before making the computations set forth in article VII, (a) exclude from such handler's Class I milk up to but not exceeding 90 percent of the quantity of milk produced and sold by him, (b) exclude the milk purchased by him in each class from other handlers, and (c) exclude from his remaining Class II milk the balance of the milk produced and sold by him."

G. Delete article VII and insert in lieu thereof the following:

"ARTICLE VII - DETERMINATION OF UNIFORM PRICES TO PRODUCERS

"Section 1. Computation of Value of Milk for Each Handler.- For each delivery period the Market Administrator shall compute, subject to the provisions of article VI, the value of milk sold or used by each handler, which was not purchased from other handlers, by (a) multiplying the quantity of such milk in each class by the price applicable pursuant to sections 2, 3, and 4 of article IV and (b) adding together the resulting value of each class.

"Sec. 2. Computation and Announcement of Uniform Prices.- The Market Administrator shall compute and announce the uniform prices per hundredweight of milk delivered during each delivery period in the following manner:

"1. Combine into one total the respective values of milk, computed pursuant to section 1 of this article, for each handler who made the report as required by section 1 of article V for such delivery period and who made the payments required by article VIII for milk received during the delivery period next preceding but one;

"2. Add the total net amount of the differentials applicable pursuant to section 4 of article VIII;

"3. Subtract the total amount to be paid to producers pursuant to paragraph 2 of section 1 of article VIII;

"4. Divide by the total quantity of milk which is included in these computations except that milk required to be paid for pursuant to paragraph 2 of section 1 of article VIII;

"5. Subtract not less than four cents nor more than five cents for the purpose of retaining a cash balance in connection with the payments set forth in paragraph 3 of section 1 of article VIII;

"6. Add an amount which will prorate, pursuant to section 3 of this article, any cash balance available; and

"7. On or before the twelfth day after the end of each delivery period mail to all handlers and publicly announce (a) such of these computations as do not disclose information confidential pursuant to the Act, (b) the blended price per hundredweight which is the result of these computations, and (c) the Class II price.

"Sec. 3. Proration of Cash Balance.- For each delivery period the Market Administrator shall prorate, by an appropriate addition pursuant to section 2 of this article, the cash balance, if any, in his hands from payments made by handlers for milk received during the delivery period next preceding but one, to meet obligations arising out of paragraph 3 of section 1 of article VIII."

H. Delete articles VIII and IX and insert in lieu thereof the following:

ARTICLE VIII - PAYMENTS FOR MILK

"Section 1. Time and Method of Payment.- On or before the 25th day after the end of each delivery period each handler shall make payment, subject to the butterfat differential set forth in section 3 of this article, for the total value of milk received during such delivery period as required to be computed pursuant to section 1 of article VII, as follows:

"1. To each producer, except as set forth in paragraph 2 of this section, at the blended price per hundredweight computed pursuant to section 2 of article VII, subject to the differentials set forth in section 4 of this article, for the quantity of milk delivered by such producer;

"2. To any producer, who did not regularly sell milk for a period of thirty days prior to the effective date hereof to a handler or to persons within the Marketing Area, at the Class II price, in effect for the plant at which such producer delivered milk, for all the milk delivered by such producer during the period beginning with the first regular delivery of such producer and continuing until the end of two full calendar months following the first day of the next succeeding calendar month;

"3. To producers, through the Market Administrator, by paying to or receiving from the Market Administrator, as the case may be, the amount by which the payments made pursuant to paragraphs 1 and 2 of this section are less than, or exceed, the value of milk as required to be computed for such handler pursuant to section 1 of article VII, as shown in a statement rendered by the Market Administrator on or before the twentieth day after the end of such delivery period.

"Sec. 2. Errors in Payments.- Errors in making any of the payments prescribed in this article shall be corrected not later than the date for making payments next following the determination of such errors.

"Sec. 3. Butterfat Differential.- If any producer has delivered to any handler during any delivery period milk having an average butterfat content other than 3.7 percent, such handler shall, in making the payments prescribed by paragraphs 1 and 2 of section 1 of this article to such producer, add for each one-tenth of one percent of average butterfat content above 3.7 percent, or deduct for each one-tenth of one percent of average butterfat content below 3.7 percent, an amount per hundredweight which shall be calculated by the Market Administrator as follows: Divide by 33 the weighted average price per forty-quart can of bottling quality cream in the Boston market, as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, subtract eight cents, and divide the result by ten.

"Sec. 4. Location Differentials.- The payments to be made to producers by handlers pursuant to paragraph 1 of section 1 of this article shall be subject to differentials as follows:

"1. With respect to milk delivered by a producer to a handler's plant located more than forty miles from the State House in Boston, there shall be deducted an amount per hundredweight equal to the freight (considering 85 pounds of milk per can), according to the tariff currently approved by the Interstate Commerce Commission for the transportation, in carload lots of milk in forty-quart cans, to Boston from the zone of location of the handler's plant.

"2. With respect to milk delivered by a producer to a handler's plant located not more than forty miles from the State House, there shall be added eighteen cents per hundredweight.

"3. With respect to milk delivered by a producer whose farm is located more than forty miles, but not more than eighty miles, from the State House in Boston, there shall be added twenty-three cents per hundredweight.

"4. With respect to milk delivered by a producer whose farm is located not more than forty miles from the State House in Boston, there shall be added 46 cents per hundredweight unless such addition gives a result greater than \$3.19 in which event there shall be added an amount which will give a result of \$3.19.

"Sec. 5. Other Differentials.- In making the payments to producers set forth in paragraphs 1 and 2 of section 1 of this article, handlers may make deductions as follows:

"1. With respect to all milk delivered by producers to the plant of a handler which is located more than forty miles from the State House in Boston and which is located more than two miles from a railroad shipping point, an amount not greater than ten cents per hundredweight; provided, that such deduction has been approved and made public by the Market Administrator prior to the time of payment.

"2. With respect to milk delivered by producers to a handler's plant which is located more than fourteen miles, but not more than forty miles, from the State House in Boston, an amount equal to ten cents per hundredweight of Class I milk actually sold or distributed in the Marketing Area from such plant, such total amount to be deducted pro rata on all milk delivered by such producers.

"3. With respect to milk delivered by producers to any handler's plant from which the average daily shipment of Class I milk during any delivery period is less than 21,500 pounds, an aggregate amount, prorated among producers delivering milk to such plant equal to the difference between the freight to the marketing area at the carload rate and at the less than carload rate for the Class I milk shipped during such delivery period.

"ARTICLE IX - MARKETING SERVICES

"Section 1. Deductions for Marketing Services.- Except as set forth in section 2, each handler shall deduct an amount not exceeding two cents per hundredweight (the exact amount to be determined by the Market Administrator, subject to review by the Secretary) from the payments made direct to producers pursuant to article VIII with respect to all milk delivered to such handler during each delivery period by producers and shall pay such deductions to the Market Administrator on or before the 25th day after the end of such delivery period. Such monies shall be expended by the Market Administrator for market information to and for verification of weights, sampling, and testing of milk purchased from said producers.

"Sec. 2. Producers' Cooperative Association.- In the case of producers for whom a cooperative association, which the Secretary determines to be qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the 'Capper-Volstead Act', is actually performing, as determined by the Secretary, the services set forth in Section 1 of this article, each handler shall make, in lieu of the deductions specified in section 1 of this article, such deductions from the payments to be made direct to such producers, pursuant to article VIII, as are authorized by such producers and, on or before the 25th day after the end of each delivery period, pay over such deductions to the association rendering such service."

I. Delete article XI and renumber the remaining articles consecutively beginning with the number II.

RECORD OF MILK HANDLED
DURING THE MONTH OF MAY 1937

The undersigned certifies that to the best of his knowledge, as shown by his books and records, he handled during the month of May 1937 _____ hundredweight of milk covered by this agreement and marketed within the Greater Boston, Massachusetts, Marketing Area.

SEAL _____
(Signed)

BY _____

_____, being duly sworn,
deposes and says that he has read the foregoing statement by him
subscribed and knows the contents thereof and that the same are
true and correct to the best of his knowledge and belief.

Notary Public

AUTHORIZATION TO CORRECT TYPOGRAPHICAL ERRORS
TO BE EXECUTED BY ALL SIGNERS

We, the undersigned, hereby authorize E. W. Gaumnitz to consent on our behalf to the correction of any typographical errors which the Secretary may consider it advisable to make in the Marketing Agreement, as amended, Regulating the Handling of Milk in the Greater Boston, Massachusetts, Marketing Area.

Date Firm Name

By _____
Name Title - Seal
(If corporation)

Corporation only

CERTIFICATE OF RESOLUTION

At a duly convened meeting of the Board of Directors of

_____ held at
_____ on the _____ day of
_____, 1937, the following resolution was adopted:

RESOLVED, that _____
shall become a party to the Marketing Agreement, as amended, Regulating
the Handling of milk in the Greater Boston, Massachusetts, Marketing Area,,
as read and explained to the meeting, and it is further RESOLVED, That

(title)

and _____
(title),

be, and hereby are authorized and directed to sign, execute, and deliver
a counterpart of said agreement attached hereto, to the Secretary of
Agriculture, together with an authorization naming E. W. Gaumnitz to
correct typographical errors.

I, _____ Secretary of

_____ do hereby certify that this
is true and correct copy of a resolution adopted at the above-named
meeting, as said resolution appears in the minutes thereof.

Address of firm SEAL

AND SEAL AT SIGNATURE LINE IN BODY OF CONTRACT

1.94
D14 Ma
ton
Docket No. A - 58
O - 58

Notice of hearing signed by Secretary
of Agriculture August 28, 1937

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

SEP 13 1937

U. S. Department of Agriculture

PROPOSAL TO AMEND ORDER NO. 4, AS AMENDED, REGULATING THE HANDLING OF MILK
IN THE GREATER BOSTON, MASSACHUSETTS, MARKETING AREA, AND WITH RESPECT TO
A PROPOSAL TO AMEND THE MARKETING AGREEMENT TENTATIVELY APPROVED
JANUARY 18, 1936, AS AMENDED

WHEREAS, under section 8c of Title I of Public No. 10, 73d Congress, as amended, the Secretary of Agriculture, hereinafter called the Secretary, issued an order regulating the handling of milk in the Greater Boston, Massachusetts, Marketing Area, effective 12:01 a.m., eastern standard time, February 9, 1936, which was amended effective 12:01 a. m., eastern standard time, August 1, 1937; and

WHEREAS, the Secretary tentatively approved a marketing agreement regulating the handling of milk in the said marketing area on January 18, 1936, which was amended July 10, 1937; and

WHEREAS, the Secretary has reason to believe that an amendment should be made to said order, as amended, and said tentatively approved marketing agreement, as amended; and

WHEREAS, under the Agricultural Marketing Agreement Act of 1937, which reenacts and further amends Public No. 10, 73d Congress, as amended, notice of hearing is required in connection with a proposal to amend an order, and the General Regulations, Series A, No. 1, as amended, of the Agricultural Adjustment Administration, U. S. Department of Agriculture, provide for notice and opportunity for hearing upon marketing agreements and orders;

NOW, THEREFORE, pursuant to the said acts, the Secretary has issued a notice of a hearing to be held in Pilgrim Hall, 27 North Main Street, Concord, New Hampshire on September 8, 1937, at 9:30 a. m., eastern standard time, and at the Oval Room, Bradford Hotel, Boston, Massachusetts, at 10:00 a. m., daylight saving time, September 9, 1937, for the purpose of receiving evidence as to the following proposed amendment to said order and agreement and as to such other amendments as may be proposed in the hearing:

I. Amend article IV relative to minimum prices.

II. Amend article IV, section 4, by inserting after the word "rate" in the eleventh line thereof the words "or, if the milk moves directly in less than carload lots, an amount equal to the less than carload lot freight rate".

III. Amend article VI, section 1, so that it reads as follows:

"No provision here of shall apply to a handler who is also a producer and who receives or handles no milk other than milk of his own production, except that such handler shall make reports to the Market Administrator at such time and in such manner as the Market Administrator may request."

IV. Amend article VI, section 2, by substituting the words "received or handled" for the word "purchased" in the second line.

V. Amend article VIII, section 1, as follows:

"Section 1. Time and Method of Payment.- Each handler shall make payment to producers for not less than the total value of milk received during such delivery period as required to be computed pursuant to section 1 of article VII, subject to the effect of the butterfat differential set forth in section 3 of this article, as follows:

"1. On or before the 25th day after the end of each delivery period, to each producer, except as set forth in paragraph 2 of this section, at the blended price per hundredweight computed pursuant to section 2 of article VII, subject to the differentials set forth in section 4 of this article, for the quantity of milk delivered by such producer;

"2. On or before the 25th day after the end of each delivery period, to any producer, who did not regularly sell milk for a period of 30 days prior to the effective date hereof to a handler or to persons within the Marketing Area, at the Class II price, in effect for the plant at which such producer delivered milk, for all the milk delivered by such producer during the period beginning with the first regular delivery of such producer and continuing until the end of two full calendar months following the first day of the next succeeding calendar month;

"3. On or before the 21st day after the end of such delivery period, to producers, through the Market Administrator, by paying to or receiving from the Market Administrator, as the case may be, the amount by which the payments required to be made pursuant to paragraphs 1 and 2 of this section are less than, or exceed, the value of milk as required to be computed for such handler pursuant to section 1 of article VII, as shown in a statement rendered by the Market Administrator on or before the 18th day after the end of such delivery period."

Docket No. A- 84
C- 84

Notice of hearing signed by Secretary
of Agriculture November 28, 1938.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

Washington, D. C.

★ DEC 15 1938 ★

PROPOSED AMENDMENTS TO THE TENTATIVELY APPROVED MARKET-
ING AGREEMENT, AS AMENDED, AND ORDER NO. 4, AS AMENDED,
REGULATING THE HANDLING OF MILK IN THE GREATER BOSTON,
MASSACHUSETTS, MARKETING AREA, UPON WHICH THE SECRETARY
OF AGRICULTURE HAS ISSUED NOTICE OF HEARINGS UNDER THE
AGRICULTURAL MARKETING AGREEMENT ACT OF 1937

The New England Dairies, Inc., the Milton Cooperative Dairy
Corperation, Inc., New England Milk Producers Association, Inc., and
the United Farmers Cooperative Creamery Association, Inc., have pre-
sented to the Secretary a petition for a public hearing on proposed
amendments to Order No. 4, as amended, which regulates the handling of
milk in the Greater Boston, Massachusetts, Marketing Area. The Market
Administrator of Order No. 4 as amended, has in addition proposed certain
other amendments.

The Agricultural Marketing Agreement Act of 1937 authorizes the
Secretary of Agriculture, after due notice of and opportunity for hear-
ing, to amend orders regulating the handling of milk which have been
issued by the Secretary. On August 1, 1937, Order No. 4, as amended,
became effective. On July 10, 1937, the Secretary had given his tenta-
tive approval to a marketing agreement, as amended, regulating the hand-
ling of milk in the Greater Boston, Massachusetts, Marketing Area, which
marketing agreement, as amended, the handlers had failed or refused to
sign and have since failed or refused to sign.

In response to the petition of the above-named producers' asso-
ciations, the Secretary of Agriculture has issued notice of hearings at
Fuller Hall, St. Johnsbury, Vermont, at 9:30 a.m. e.s.t., December 3,
1938; The State House, Augusta, Maine, at 9:30 a.m. e.s.t., December 5,
1938; and Gardner Auditorium, State House, Boston, Massachusetts, at
9:30 a.m. e.s.t., December 6, 1938, and at such other times and places
as the presiding officer may deem necessary. At each time and place
opportunity will be given for interested parties to present evidence
with respect to each of the proposed amendments which are to be consid-
ered as applying alike to Order No. 4, as amended, and to the marketing
agreement, as amended, tentatively approved July 10, 1937. It is sug-
gested that the interests of each party will be best served by a concise
presentation, in a session of the hearing most convenient to him, of
relevant facts in his possession, reserving argument for filing in
written form at the close of the hearing. Handlers will have the op-
portunity to sign a marketing agreement embodying the same terms as
Order No. 4, amended, with such amendments as may be determined from
these hearings. If, upon the facts in the record, the Secretary of
Agriculture decides that he can amend Order No. 4, as amended, the con-
tent of such amendment will be made known to producers and their approval
or disapproval of the published amendment determined.

The proposed amendments upon which the hearing will be held are set forth below. Their publication in this form is for the convenience of interested parties and is not to be considered as in any way signifying their approval by the Secretary of Agriculture.

AMENDMENTS PROPOSED BY THE NEW ENGLAND DAIRIES, INC.,
MILTON COOPERATIVE DAIRY CORPORATION, INC., NEW ENGLAND
MILK PRODUCERS ASSOCIATION, INC., AND THE UNITED FARMERS
COOPERATIVE MILK PRODUCERS ASSOCIATION, INC.

A. Delete section 1 of article IV and substitute therefor the following:

"Section 1. Class I Prices to Associations of Producers.—Each handler shall, on or before the 25th day after the end of each delivery period, pay to any cooperative association of producers, which is a handler, for milk received from such association during such delivery period, at not less than the following prices:

1. If such milk is delivered to the handler's plant located not more than 40 miles from the State House in Boston, the price in effect pursuant to paragraph 1 of section 2 of this article plus 12 cents;
2. If such milk is delivered to the handler at a railroad delivery point not more than 40 miles from the State House in Boston, the price in effect pursuant to paragraph 1 of section 2 of this article plus 7 cents;
3. If such milk is delivered to such handler f.o.b. railroad cars or trucks at the plant where received from producers more than 40 miles from the State House in Boston, the price in effect pursuant to paragraph 2 of section 2 of this article plus 20 cents;
4. If such milk is delivered containing butterfat more or less than 3.7 percent such handler shall add or subtract, as the case may be, a differential for each 1/10 of one percent above or below 3.7 percent, which differential is the result of dividing by 330 the cream price used in paragraph 1 of section 3 of this article."

B. Delete paragraphs 1 and 2 of section 2 of article IV and substitute therefor the following:

"1. \$3.48 per hundredweight, during delivery periods prior to May 1, 1939, and thereafter \$3.08 per hundredweight for such milk delivered from producers' farms to such handler's plant located not more than 40 miles from the State House in Boston;

2. \$3.30 per hundredweight during delivery periods prior to May 1, 1939, and thereafter \$2.90 per hundredweight for such milk delivered from producers' farms to such handler's plant located more than 40 miles from the State House in Boston, less an amount per hundredweight equal to the freight from the railroad shipping point for such

handler's plant to such handler's railroad delivery point in the marketing area. Such freight shall be calculated according to applicable rail tariffs for the transportation in carload lots of milk in 40-quart cans and each such can shall be considered to contain 85 pounds of milk;"

C. Delete paragraph 1 of Section 3 of Article IV and substitute therefor the following:

"1. In the case of such milk delivered to a handler's plant located not more than 40 miles from the State House in Boston, a price which the Market Administrator shall calculate as follows: Divide by 33 the weighted average price per 40-quart can of bottling quality cream in the Boston market, as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, multiply the result by 3.7 and subtract 28 cents: Provided, That any plus amount shall be added which results from the following computation: (a) Take the average of all the dry skim milk quotations for hot roller process, other brands, human consumption, barrels, carlots, and animal feed carlots, bags, published during such delivery period in the American Produce Review, subtract 4 1/2 cents, multiply by 6.8; (b) Take the average of all quotations published during the delivery period in the Oil, Paint and Drug Reporter for domestic 20-30 mesh casein in bags in carlots at New York, subtract 6.6 cents and multiply by 2.125; (c) Add together the two results and divide by two."

B. Insert a new paragraph-numbered 3 in Section 3 of Article IV as follows:

"3. During the delivery periods May 16 through July 15, and the month of September in the case of Class II milk received from producers and made into butter or American Cheese at a plant more than 40 miles from the State House in Boston the minimum price shall be, instead of the price otherwise applicable pursuant to this section, computed by the Market Administrator as follows: From the average of the prices reported daily during such delivery period by the United States Department of Agriculture for 92-score butter at wholesale in the New York market, deduct 5 cents, add 16-2/3 percent and multiply by 3.7."

Amendments proposed by the Market Administrator

Article I - Definitions

Amend Section 1, paragraph 3 to read as follows:

"Greater Boston, Massachusetts, Marketing Area", hereinafter called the "Marketing Area", means the territory included within the boundary lines of the cities and towns of Arlington, Belmont, Boston, Brookline, Cambridge, Chelsea, Everett, Lynn, Malden, Medford, Melrose, Milton, Nahant, Newton, Quincy, Revere, Saugus, Somerville, Waltham, Watertown, and Winthrop, Massachusetts.

Amend Section 1, paragraph 5 to read:

"producer" means any person who produces milk which is received by a handler at a receiving plant from which milk is currently shipped to or distributed in the Marketing Area.

Define Receiving Plant - paragraph 6

"Receiving Plant" means any plant at which milk is received directly from producers daily, weighed (or measured), blended, and cooled, and from which not less than 51 percent of the butterfat in such milk receipts is regularly shipped to or disposed of in the Marketing Area.

Change the numbering of paragraphs 6, 7, and 8 to read 7, 8, and 9 respectively.

Add paragraph 10, as follows:

"Hundredweight" means one hundred pounds of milk or its volume equivalent, considering 85 pounds of milk and 86 pounds of skim milk per 40-quart can.

Article II- Market Administrator

Transfer Sec. 4, paragraph 5 to Sec. 3, paragraph 3 with indicated changes.

Publicly to disclose to handlers and producers, unless otherwise directed by the Secretary, the name of any person who, within two days after the date upon which he is required to perform such acts, has not (a) made reports pursuant to Article V or (b) made payments to the Market Administrator pursuant to Article VIII.

Change paragraphs 6 and 7 of Section 4 to paragraphs 5 and 6, respectively.

Article III - Classification of Milk

Amend entire article to read:

Section 1. Basis of Classification - All milk received by handlers shall be classified in the classes set forth in Section 2 of this article in accordance with its utilization by the handler; provided, that if milk, including skim milk, is moved to the plant of another person who distributes milk or manufactures milk products, classification of such milk by the first handler may be in accordance with its utilization

at such second plant. Any utilization of milk claimed by a handler shall be subject to verification by the Market Administrator.

Section 2. Classes of Utilization - The classes of utilization of milk shall be as follows:

Class I milk shall be all milk sold or distributed as or in milk, chocolate milk, buttermilk, or flavored milk, and all milk the utilization of which is not established as Class II milk;

Class II milk shall be all milk specifically accounted for (a) as being sold, distributed, or disposed of other than as or in milk, chocolate milk, buttermilk, or flavored milk and (b) as actual plant shrinkage within reasonable limits, with respect to milk received from producers.

Article IV - Minimum Prices

Amend Sec. 2, paragraph 3 to read:

For the purpose of this section the milk which was sold or distributed, during each delivery period, by each handler as Class I milk shall be presumed to have been that milk which was (a) received from producers' farms at such handler's plant located not more than 40 miles from the State House in Boston, and (b) shipped from the nearest plants located more than 40 miles from the State House in Boston.

Delete Section 4.

Delete Section 5.

Article V - Reports of Handlers

Add to Section 2, a third paragraph to read:

3. As soon as possible after last receiving milk from any producer: (a) The name and address of such producer, (b) the date upon which such milk was last received, (c) the plant at which such producer delivered milk, and (d) the plant, if known, at which such producer delivered milk immediately subsequent to the discontinuance of delivery to such handler.

Change Section 3 to read:

Section 3. Reports of Payments to Producers.- Each handler shall submit to the Market Administrator within 10 days after his request made not earlier than 30 days after the end of the delivery period his producer pay roll for such delivery period which shall show for each producer: (a) The total delivery of milk with the average butterfat test thereof and (b) the net amount of such producer's payment, with the prices, deductions, and charges involved.

Section 4. Outside Cream Purchases.- Each handler shall report, as requested by the Market Administrator, his receipts, if any, of bottling quality cream from handlers who receive no milk from producers, showing the quantity and the source of each such receipt and the cost thereof at Boston.

Article VI - Application of Provisions

Section 1. -"No provision hereof shall apply to a handler whose sole source of milk supply consists of receipts from his own production and/or receipts from other handlers, except that such handler shall make reports to the Market Administrator at such time and in such manner as the Market Administrator may require; Provided, that if, during any delivery period, such handler receives milk of his own production and delivers milk in bulk to another handler at a receiving plant, such delivering handler shall be a producer with respect to such deliveries."

Section 2. Milk Received from Producers by Handlers Who are Also Producers.- In the case of a handler who is also a producer and who received milk from producers, the Market Administrator shall, before making the computations set forth in article VII, (a) exclude from such handler's Class I milk up to but not exceeding 90 percent of the quantity of milk received from his own farm production, (b) exclude the milk purchased by him in each class from other handlers, and (c) exclude from his remaining Class II milk the balance of the milk received from his own farm production; Provided, that, in computing the value of milk for such handler pursuant to Article VII, the Market Administrator shall not use a quantity of Class I milk in excess of the total quantity of milk received by such handler from sources other than his own production.

Article VII - Determination of Uniform Prices to Producers

Amend Section 1 to read:

For each delivery period the Market Administrator shall compute, subject to the provisions of Article VI, the value of milk sold, distributed, or disposed of by each handler, after excluding receipts from other handlers by classes, by (a) multiplying the quantity of milk in each class by the price applicable pursuant to sections 2, 3, and 4 of Article IV, (b) adding together the resulting value of each class and (c) subtracting the value of milk from other than receiving plants at the applicable Class II price.

Article VII - Determination of Uniform Prices to Producers

Section 2. Par. 1. Rewrite as follows:

- "1. Combine into one total the respective values of milk, computed pursuant to section 1 of this article, for each handler from whom the Market Administrator has received a report for such delivery period prior to the 12th day after the end of such delivery period and who has made the

payments required by Par. 3, Sec. 1, of Article VIII for milk received during each delivery period since the effective date of the most recent amendment to this Order, except the period immediately preceding".

Amend Section 3 to read as follows:

Section 3. Proration of Cash Balance. - For each delivery period the Market Administrator shall prorate, by an appropriate addition pursuant to section 2 of this article, the cash balance, if any, in his hands from payments made by handlers for milk received during or prior to the delivery period next preceding but one, to meet obligations arising out of paragraph 3 of section 1 of article VIII.

Add to Section 3 (as amended)

Provided: that if such proration results in an increase in the blended price in excess of 20 cents per hundredweight, such excess shall be reserved pending instruction from the Secretary relative to the method of distribution.

Article VIII - Payments for Milk

Section 1. Par. 1. Before the words "the blended price", insert the words "not less than".

Par. 2. For the words "at the Class II price" substitute the words "at not less than the price for the lowest use classification".

Section 2. Strike out the present section and substitute the following:
Adjustments of Errors in Payments.-Whenever verification by the Market Administrator of reports or payments of any handler discloses errors made in payments pursuant to paragraph 3, section 1, of this article, the Market Administrator shall promptly bill such handler for any unpaid amount, and such handler shall, within five days, make payment to the Market Administrator of the amount so billed. Whenever verification discloses that payment is due from the Market Administrator to any handler the Market Administrator shall, within five days, make such payment to such handler. Whenever verification by the Market Administrator of the payment to any producer for milk delivered to any handler discloses payment for such producer of less than is required by this article, the handler shall make up such payment to the producer not later than the time of making payment next following such disclosure.

Section 3. Strike out the words "subtract 8 cents".

Section 4. Par. 3. At the end of the paragraph add the following:
"Unless such addition gives a result greater than \$3.19 in which event there shall be added an amount which will give a result of \$3.19." (The \$3.19 which appears in this paragraph and in the following paragraph would have to be changed if the Class I price is changed.)

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
WASHINGTON, D. C.

NOTICE OF HEARING WITH RESPECT TO A PROPOSAL TO AMEND ORDER
NO. 4, AS AMENDED, REGULATING THE HANDLING OF MILK IN THE
GREATER BOSTON, MASSACHUSETTS, MARKETING AREA, AND WITH
RESPECT TO A PROPOSAL TO AMEND THE MARKETING AGREEMENT TEN-
TATIVELY APPROVED JANUARY 18, 1936, AS AMENDED.

WHEREAS, under section 8 c of Title I of Public Act No. 10, 73rd Congress, as amended, the Secretary of Agriculture, hereinafter called the Secretary, issued an order regulating the handling of milk in the Greater Boston, Massachusetts, Marketing Area, effective February 9, 1936, which order was amended effective August 1, 1937; and

WHEREAS, the Secretary tentatively approved a marketing agreement regulating the handling of milk in the said marketing area on January 18, 1936, which marketing agreement was amended July 10, 1937; and

WHEREAS, New England Dairies, Inc., New England Milk Producers' Association, Inc., Milton Cooperative Dairy Corporation, Inc., and United Farmers Cooperative Milk Producers Association, Inc., have proposed certain amendments to said order, as amended, and to said tentatively approved marketing agreement, as amended; and

WHEREAS, the Marketing Administrator of such order, as amended, has also proposed certain amendments to said order, as amended, and to said tentatively approved marketing agreement, as amended; and

WHEREAS, the Secretary has reason to believe that an amendment of said order, as amended, and of said tentatively approved marketing agreement, as amended, will tend to effectuate the declared policy of Public Act No. 10, 73rd Congress, as amended and as re-enacted and amended by the Agricultural Marketing Agreement Act of 1937; and

WHEREAS, under the aforesaid act notice of hearing is required in connection with a proposal to amend an order and the General Regulations, Series A, No. 1, as amended, of the Agricultural Adjustment Administration, United States Department of Agriculture, provide for notice and opportunity for hearing upon amendments to marketing agreements and orders;

NOW, THEREFORE, pursuant to said act and general regulations, notice is hereby given of a hearing to be held on said proposals to amend the order, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, Marketing Area, and to amend the tentatively approved marketing agreement, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, Marketing Area,

in Fuller Hall, St. Johnsbury, Vermont, at 9:30 a.m., e.s.t., December 3, 1938; in House of Representatives Chamber, State House, Augusta, Maine, at 9:30 a.m., e.s.t., December 5, 1938; in Gardner Auditorium, State House, Boston, Massachusetts, at 9:30 a.m., e.s.t., December 6, 1938, and at such other times and places as the presiding officer may deem necessary.

This public hearing is for the purpose of receiving evidence as to the necessity for (1) revising the minimum prices, (2) changing the method of computing the price for class II milk, (3) providing a price for class II milk made into butter or American cheese during certain delivery periods, (4) redefining "marketing area" and "producer" and defining "receiving plant", (5) clarifying basis of classification and classes of utilization of milk, (6) deleting the provision relating to sales outside the marketing area, (7) amending article V relative to reports of handlers, (8) amending article VI relative to handlers who are also producers, and (9) amending certain other minor provisions so as to clarify the language of the said order and the said tentatively approved marketing agreement.

Copies of the proposals to amend the order and the marketing agreement may be inspected in or procured from Room 0318, South Building, United States Department of Agriculture, Washington, D. C.

/s/ H. A. Wallace
Secretary of Agriculture

Dated: November 28, 1938

Washington, D. C.

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Dime
Docket No. A-112
O-112

Notice of hearing signed by
the Acting Secretary of Agri-
culture, September 30, 1939.

UNITED STATES DEPARTMENT OF AGRICULTURE
DIVISION OF MARKETING AND MARKETING AGREEMENTS

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PROPOSAL TO AMEND ORDER NO. 4, AS AMENDED, AND THE MARKET-
ING AGREEMENT, AS AMENDED, REGULATING THE HANDLING OF MILK
IN THE GREATER BOSTON, MASSACHUSETTS, MARKETING AREA, UPON
WHICH THE SECRETARY OF AGRICULTURE HAS ISSUED A NOTICE OF
HEARING UNDER THE AGRICULTURAL MARKETING AGREEMENT ACT
OF 1937.

Under authority of Section 8c of Title I of the Agricultural
Adjustment Act of 1933, as amended, the Secretary of Agriculture made
effective on February 9, 1936, Order No. 4 regulating the handling of
milk in the Greater Boston, Massachusetts, marketing area.

Order No. 4 for Boston was suspended August 1, 1936, was
partially reinstated July 1, 1937, and was completely reinstated and
amended August 1, 1937, under authority of the Agricultural Marketing
Agreement Act of 1937. On January 16, 1939, the order was further
amended and a marketing agreement containing terms similar to those
of the amended order became effective. Handlers of about 85 percent
of the volume of milk in the marketing area signed the said agree-
ment and about 82 percent of the producers voting in a referendum,
January 6, 1939, approved the issuance of the amended Federal order
(embodying the terms of the signed agreement).

Since Order No. 4 was last amended on January 16, 1939,
interested parties in the Greater Boston, Massachusetts, marketing
area have been studying the desirability of further revision of
Order No. 4, as amended. Formal requests for a hearing on a number
of amendments have been made. The Secretary of Agriculture has
issued notice of hearings to begin at 10:00 a.m., e.s.t., in the
State House Assembly Hall, Concord, New Hampshire, on October 9,
1939, and to begin at 10:00 a.m., e.s.t., in Room 436, State House,
Boston, Massachusetts, on October 10, 1939, to continue until all
parties interested in presenting evidence relevant to amendments
to the order have been heard at Concord, New Hampshire, at Boston,
Massachusetts, or at such other times and places to which the duly
designated presiding officer may adjourn said hearing.

Any amendments to Order No. 4, as amended, and to the market-
ing agreement, as amended, issued on the basis of the above public
hearing, can become effective only upon finding by the Secretary of
the approval of two-thirds of the producers. Handlers will be given
an opportunity to sign an amended marketing agreement embodying the
provisions of Order No. 4, as it may be amended.

The following amendments were suggested in one form or another by various parties or by the Department of Agriculture. They are published in this form for the convenience of all interested parties and as a basis for public hearing. Their publication in this form is not to be taken as approval or disapproval by the Secretary of Agriculture. Producers, handlers, and others will be expected to put into the record any information in their possession which will aid the Secretary to determine the practicability of formulating further amendments to Order No. 4, as amended.

Proposed Amendments

Most of the proposed amendments are not presented in final form but as direct statements concerning suggested revisions, with brief parenthetical explanations of the relationship between such proposed revisions and the currently effective provisions of Order No. 4, as amended. The proposal to amend the Class I price is in definite amendment form. The proposals are listed below in the order in which they apply to the present outline of Order No. 4, as amended.

ARTICLE I ---DEFINITIONS

1. Delivery period.— It is proposed that the present monthly delivery period be changed to a semi-monthly delivery period. (It is not proposed that a semi-monthly delivery period involve the computation of the market-wide pool twice a month. It is believed that some method of midmonthly payments to producers on account would accomplish the objective of more frequent payments for milk and not necessitate additional pool computations. The market administrator at present computes midmonthly price estimates. The suggested revision would make these estimates the official basis of computing the midmonthly payments on account, the practice of making such payments to be optional among handlers.)

2. Marketing area.— It is proposed that the present marketing area, which is composed of 37 cities and towns known as the Greater Boston marketing area, be revised by excluding the towns of Beverly, Salem, Peabody, and Swampscott, Massachusetts. These towns and cities are at present included in the marketing area as defined in section 1, article I, of amended Order No. 4.

ARTICLE III --- CLASSIFICATION OF MILK

1. Revision of the definition of Class I milk.— It is proposed that the present Class I milk definition be expanded to include buttermilk and skim milk when sold retail to bakers or to stores for sale as milk drinks. (Present definition of Class I is "all milk sold or distributed as or in milk, chocolate milk, or flavored milk, and all milk the utilization of which is not established as Class II milk.")

2. City plant shrinkage.- There have been several suggested revisions for the city plant shrinkage allowance. (Suggested revisions aim to correct certain alleged inequities existing in the present manner of allowing plant shrinkage. It has been contended that certain handlers who buy all their milk from other handlers are at a disadvantage because of the fact that the order makes no provision for the inclusion of their plant shrinkage in Class II milk.)

3. Transfers of milk from secondary markets to Boston.- It is proposed that whenever quantities of milk, which ordinarily are marketed in other markets, are transferred to the Boston market, such quantities of milk be classified as Class II milk. In this connection the producers supplying the milk that is transferred shall not be considered to be producers as defined in Order No. 4, as amended, but rather will remain classified as producers for the other markets. (This problem arises out of an alleged normal physical handling practice of certain Boston handlers with fluid milk operations in one or more other markets. These handlers claim that there is economy in transferring all excess milk other than the operating surplus to their Boston plants, thus providing a larger volume of surplus for manufacture and avoiding a duplication of handling facilities in other markets.)

ARTICLE IV -- MINIMUM PRICES

1. Class I prices to producers.- Strike out article IV, section 2, paragraph 1, and insert in lieu thereof the following: "\$3.46 per hundredweight during the delivery periods prior to May 1940 and thereafter \$3.06 per hundredweight for such milk delivered from producers' farms to such handler's plant located not more than 40 miles from the State House in Boston: Provided, That with respect to such milk disposed of under a program approved by the Secretary for the sale or disposition of milk to low-income consumers, including persons on relief, the price shall be not less than \$2.99 per hundredweight during delivery periods prior to May 1940 and thereafter shall be not less than \$2.59 per hundredweight." Strike out article IV, section 2, paragraph 2, and insert in lieu thereof the following: "\$3.28 per hundredweight during delivery periods prior to May 1, 1940, and thereafter \$2.88 per hundredweight for such milk delivered from producers' farms to such handler's plant located more than 40 miles from the State House in Boston, less an amount per hundredweight equal to the freight from the railroad shipping point for such handler's plant to such handler's railroad delivery point in the marketing area: Provided, That with respect to such milk disposed of under a program approved by the Secretary for the sale or disposition of milk to low-income consumers, including persons on relief, the price shall be not less than \$2.81 per hundredweight during delivery periods prior to May 1940 and thereafter shall be not less than \$2.41 per hundredweight for such milk delivered from producers' farms to such handler's plant located more than 40 miles from the State House in Boston, less an amount per hundredweight equal to the freight from the railroad shipping point for such handler's plant to such handler's railroad delivery point in the marketing area. Such freight in both the above instances, shall be calculated according to applicable rail tariffs for the transportation in carload lots of

milk in 40-quart cans and each such can shall be considered to contain 85 pounds of milk."

2. Class II prices.- It is proposed that the Class II price formula for milk delivered direct to city plants be revised by eliminating the station allowances that are now permissible. (The underlying issue on this point has been an attempt to bring the Class II price formula in Order No. 4, as amended, more nearly in line with prices paid for Class II milk in other nearby markets.)

3. Class II price formula for milk used as butter.- It has been proposed that paragraph 3, of section 3, of article IV, which provides a price formula based on the wholesale price of butter at New York applicable to milk manufactured into butter at country plants in May, June, and September, be amended by adding to the formula a figure representing the value of the skimmed milk in such milk.

4. Borderline area prices.- It is proposed that producer prices in so-called borderline areas be the prices established by the Massachusetts Milk Control Board in such areas.

5. Exemption of handlers who have only a small percentage of their milk in the marketing area.- There have been no specific amendments presented on the point but various interests in the market believe that handlers selling only a small percentage of their milk in the marketing area should be exempt from certain provisions of the amended order.

ARTICLE VI -- HANDLERS WHO ARE ALSO PRODUCERS

1. Bulk sales of milk by handlers who are also producers to other handlers.- It is proposed that the milk of a handler who is also a producer sold in bulk as raw milk to another handler shall be considered in the market pool as being from a regular producer.

ARTICLE VII -- DETERMINATION OF UNIFORM PRICES TO PRODUCERS

1. It is proposed that milk furnished State institutions be eliminated from the Greater Boston pool.

ARTICLE VIII -- PAYMENTS FOR MILK

1. Clarification of transportation rates.- (Confusion on this point has been occasioned by the fact that since the carlot rate, provided in Order No. 4, as amended, became effective, the Interstate Commerce Commission's tariffs in this area have been revised to provide two rates, one for lots of 100 forty-quart cans, and another for lots of 200 forty-quart cans. Inasmuch as there are actually five different railroad freight rates and two truck rates in effect in this area, with milk being sent to market at each of the different rates, there has arisen the question of complete

revision of differentials to provide for a transportation allowance at the actual cost of shipment from various parts of the supply area. The only adjustment allowed under the current provisions of Order No. 4, as amended, is an allowable deduction of the less-than-carlot rate for milk actually shipped L.C.L.)

2. Location differentials.- It is proposed that the present differential zone of '40 miles and less' be revised to '50 miles and less,' and that the present 40-80 mile zone be revised to a 50-120 mile zone. (The present provisions of Order No. 4, as amended, provide for the extra payment of 46 cents per hundredweight to producers in the nearer zone, and 23 cents per hundredweight to producers in the outer zone.)

3. Basing point for freight rates.- It is proposed that freight rates be computed as of some central point at Boston. (The amended order at present provides for basing freight rates at each handler's railroad delivery point in the marketing area.)

4. Overpayments to producers.- It is proposed that a provision be included to permit handlers to recover overpayments made to producers. It is also proposed that adjustments resulting from errors in payments be required to be paid within 15 days. (The amended order at present provides in section 3 of article VIII for adjustments of errors in payments. Such adjustments, however, are required to be paid within 5 days. Part of this proposal would extend the 5-day limit to 15 days.)

5. Emergency milk.- It is proposed that milk brought into the marketing area from beyond the normal boundaries of the milkshed to relieve temporary shortages of Class I milk shall not be considered in the pool computations and the producers of such milk shall not be considered to be Boston producers. (The setting up of certain specifications for emergency milk makes it necessary to further specify conditions of sale and classification. This must be done in light of the limitations of the amended order with respect to interhandler sales.)

6. New producers.- It is proposed that paragraph 2 of section 2 of this article, relative to new producer payments, be revised to require new producers to deliver their total deliveries to the market during the qualifying period before they become regular producers. (The present provision requires payment of the Class II price, "for all milk delivered by such producer," during the qualifying period but does not require the producer to deliver all milk which he produces during such period.)

ARTICLE IX -- MARKETING SERVICES

1. Payments to cooperative associations.- It is proposed that payments for services rendered the market by qualified cooperatives be deducted from the gross value of milk in the market pool. Such pay-

ments would be conditional upon the performance of certain prescribed services by the cooperatives who receive the payments. These cooperatives would have to meet certain qualifications as cooperatives, as determined by the Secretary, before they would be entitled to receive market service payments. In connection with the proposed market service payments, it is proposed that one of the services that associations must perform in order to be eligible for the market service payment should be a willingness to make available for Class I purposes, if needed, any supply of milk under its control. (If this proposal should be adopted, article IX of the present order, as amended, relating to individual producer marketing services, would be deleted.)

It is further proposed that any other provisions of Order No. 4, as amended, which may affect the revisions as proposed above, shall be subject to amendment. Amendment of other provisions of the order will necessarily be based upon evidence introduced at the hearing.

UNITED STATES DEPARTMENT OF AGRICULTURE
DIVISION OF MARKETING AND MARKETING AGREEMENTS
WASHINGTON, D. C.

NOTICE OF HEARING WITH RESPECT TO A PROPOSAL TO
AMEND ORDER NO. 4, AS AMENDED, AND THE MARKETING
AGREEMENT REGULATING THE HANDLING OF MILK IN THE
GREATER BOSTON, MASSACHUSETTS, MARKETING AREA.

WHEREAS, under the provisions of Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, the Secretary of Agriculture, hereinafter called the Secretary, issued Order No. 4 regulating the handling of milk in the Greater Boston, Massachusetts, marketing area, effective 12:01 a.m., e.s.t., February 9, 1936; and

WHEREAS, such order was last amended by the Secretary on January 13, 1939, effective January 16, 1939; and

WHEREAS, the Secretary on January 13, 1939, executed a marketing agreement regulating the handling of milk in the Greater Boston, Massachusetts, marketing area, effective January 16, 1939; and

WHEREAS, the New England Milk Producers Association, Inc., has proposed certain amendments to said marketing agreement and to said Order No. 4, as amended; and

WHEREAS, the Secretary has reason to believe that the declared policy of the act will be effectuated by holding a hearing on a proposal to amend Order No. 4, as amended, and said marketing agreement, and to review present marketing conditions in the Greater Boston, Massachusetts, milkshed to determine what amendments, if any, should be made to said order and said marketing agreement:

NOW, THEREFORE, pursuant to the aforesaid act and general regulations issued thereunder, notice is hereby given of a hearing to be held on a proposal to amend Order No. 4, as amended, and the marketing agreement regulating the handling of milk in the Greater Boston, Massachusetts, marketing area, beginning at 10:00 a.m., e.s.t., Monday, October 9, 1939, at State House Assembly Hall, Concord, New Hampshire, and continuing at 10:00 a.m., e.s.t., Tuesday, October 10, 1939, in Room 436, State House, Boston, Massachusetts.

This public hearing is for the purpose of receiving

evidence as to the necessity for (1) revising the minimum Class I price and the Class II price formula; (2) revising the freight allowance applicable to milk transported from country plants; (3) excluding from the marketing area the towns of Beverly, Salem, Peabody, and Swampscott, Massachusetts; (4) revising the definition of delivery period to provide for semi-monthly pool computations; (5) redefining Class I milk; (6) revising the plant shrinkage allowance; (7) revising the provisions relating to milk of handlers who are also producers and adding provisions permitting special consideration in the pricing of milk to handlers who sell only a small proportion of their milk in the marketing area; (8) eliminating milk sold to State-supported institutions from the pool computations; (9) revising location differentials; (10) revising provisions relating to adjustments in producer payments; (11) including a provision to allow market service payments to cooperative associations from the gross value of pooled milk; (12) including a provision permitting special consideration in the pricing of milk received from sources beyond the normal supply area; (13) revising the relief milk pricing provisions; (14) including a provision requiring new producers to deliver their entire production of milk to the market in order to gain status as regular producers; and (15) revising the provisions relating to the classification of milk moved from other markets into the marketing area. Additional and different amendments may be proposed in the hearing and evidence given thereon.

Copies of said proposal prepared as a basis for the public hearing may be procured from the Hearing Clerk, Office of the Solicitor, United States Department of Agriculture, in Room 0310 South Building, Washington, D. C., or may be there inspected.

/s/ F. W. Reichelderfer

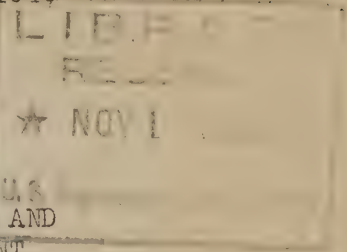
ACTING SECRETARY OF AGRICULTURE.

Dated: September 30, 1939

Washington, D. C.

Notice of hearing signed by
the Secretary of Agriculture
October 3, 1940

UNITED STATES DEPARTMENT OF AGRICULTURE
SURPLUS MARKETING ADMINISTRATION
DAIRY DIVISION



PROPOSAL TO AMEND ORDER NO. 4, AS AMENDED, AND
THE TENTATIVELY APPROVED MARKETING AGREEMENT,
AS AMENDED, REGULATING THE HANDLING OF MILK IN
THE GREATER BOSTON, MASSACHUSETTS, MARKETING
AREA, UPON WHICH THE SECRETARY OF AGRICULTURE
HAS ISSUED A NOTICE OF HEARING UNDER THE AGRI-
CULTURAL MARKETING AGREEMENT ACT OF 1937.

The Secretary has received petitions to amend Order No. 4, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, marketing area, in which were represented the following associations of producers with membership comprising 50 percent or more of the dairymen supplying the Boston market:

Bellows Falls Cooperative Creamery, Inc.
Cabot Farmers Cooperative Creamery, Inc.
Eastern Dairies Cooperative
Independent Cooperative Association, Inc.
Maine Dairymen's Association, Inc.
Manchester Cooperative Dairy System, Inc.
Milton Cooperative Dairy Corporation
Nearby Milk Producers Cooperative
New England Dairies
New England Milk Producers' Association, Inc.
Northern Farms Cooperative, Inc.
St. Albans Cooperative Creamery, Inc.
United Farmers Cooperative Association, Inc.

Several of the proposed amendments listed herein were submitted by a committee that represented Bellows Falls Cooperative Creamery, Inc., Cabot Farmers Cooperative Creamery, Inc., Manchester Cooperative Dairy System, Inc., Milton Cooperative Dairy Corporation, New England Dairies, New England Milk Producers' Association, Inc., St. Albans Cooperative Creamery, Inc., and United Farmers Cooperative Association, Inc.

A separate petition proposing that a hearing be held to consider revision of only the Class I price was submitted by a committee representing Cabot Farmers Cooperative Creamery, Eastern Dairies Cooperative, Independent Cooperative Association, Inc., Maine Dairymen's Association, Inc., Milton Cooperative Dairy Corporation, Nearby Milk Producers Cooperative, New England Dairies, Northern Farms Cooperative, Inc., and St. Albans Cooperative Creamery, Inc.

In addition, the Independent Cooperative Association, Inc., has proposed certain changes not specifically requested by other associations, and the market administrator has proposed certain specific changes.

Under authority of Section 8c of Title I of the Agricultural Adjustment Act of 1933, as amended, the Secretary of Agriculture made effective on February 9, 1936, Order No. 4 regulating the handling of milk in the Greater Boston, Massachusetts, marketing area.

Order No. 4 for Boston was suspended August 1, 1936, was partially reinstated July 1, 1937, and was completely reinstated and amended August 1, 1937, under authority of the Agricultural Marketing Agreement Act of 1937. On February 4, 1940, Order No. 4, as last amended, became effective. On January 19, 1940, the Secretary gave his tentative approval to a marketing agreement, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, marketing area, which marketing agreement, as amended, the handlers have failed or refused to sign.

The Secretary of Agriculture has issued notice of hearings to begin at 10:00 a.m., e.s.t., in the State House, Montpelier, Vermont, on October 14, 1940; to begin at 10:00 a.m., e.s.t., in the Senate Chamber of the State House, Augusta, Maine, on October 16, 1940; and to begin at 10:00 a.m., e.s.t., in the Gardiner Auditorium, State House, Boston, Massachusetts, on October 17, 1940, and to continue until all parties interested in presenting evidence relevant to amendments to the order have been heard at Montpelier, Vermont, at Augusta, Maine, at Boston, Massachusetts, or at such other times and places to which the duly designated presiding officer may adjourn said hearing.

Any amendments to Order No. 4, as amended, and to the marketing agreement, as amended, issued on the basis of the above public hearings, can become effective only upon finding by the Secretary of the approval of two-thirds of the producers. Handlers will be given an opportunity to sign an amended marketing agreement embodying the provisions of Order No. 4, as it may be amended.

The following proposals are published in this form for the convenience of all interested parties and as a basis for public hearing. Their publication in this form is not to be taken as approval or disapproval by the Secretary of Agriculture. Producers, handlers, and others will be expected to put into the record any information in their possession which will aid the Secretary to determine the practicability of formulating further amendments to Order No. 4, as amended.

Amendments proposed by a committee representing Bellows Falls Cooperative Creamery, Inc., Cabot Farmers Cooperative Creamery, Inc., Manchester Cooperative Dairy System, Inc., Milton Cooperative Dairy Corporation, New England Dairies, New England Milk Producers' Association, Inc., St. Albans Cooperative Creamery, Inc., and United Farmers Cooperative Association, Inc.

1. Class I prices to producers.- Strike out section 904.4, paragraph (b) (1), and insert in lieu thereof the following:

"\$3.46 per hundredweight during delivery periods prior to May 1, 1941, and thereafter \$3.06 per hundredweight for such milk delivered from producers' farms to such handler's plant located not more than 40 miles from the State House in Boston."

Strike out section 904.4, paragraph (b) (2), and insert in lieu thereof the following:

"\$3.28 per hundredweight during delivery periods prior to May 1, 1941, and thereafter, \$2.88 per hundredweight, for such milk delivered from producers' farms to such handler's plant located more than 40 miles from the State House in Boston, less an amount per hundredweight (considering 85 pounds to one 40-quart can) equal to the lowest rail tariff, for the transportation in carlots of milk in 40-quart cans, as published in the New England Joint Tariff, M2, including revisions or supplements thereof, for the distance from the railroad shipping point for such handler's plant to such handler's railroad delivery point in the marketing area, for the distance to Boston."

2. Class II prices.- Strike out section 904.4, paragraph (c) (1), and insert in lieu thereof the following:

"In the case of such milk delivered to a handler's plant located not more than 40 miles from the State House in Boston, a price which the market administrator shall calculate as follows: divide by 33 the weighted average price per 40-quart can of bottling quality cream in the Boston market, as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered, or the last such price reported for a delivery period if no such price is reported for the delivery period during which such milk is delivered, multiply the result by 3.7 and subtract 25 cents: Provided, That any plus amount for skim value shall be added which results from the average of the two following computations: (a) compute the average of all the weekly hot roller process dry skim milk quotations, 'other brands, human consumption, barrels, carlots,' and for 'other brands, animal feed, carlots, bags or barrels' (using midpoint of any range as one quotation),

published during such delivery period in the Producers' Price-Current, subtract $4\frac{1}{4}$ cents, multiply by 7; and (b) compute the average of all weekly quotations (using midpoint of any range as one quotation), published during the delivery period in the Oil, Paint, and Drug Reporter for domestic 20-30 mesh casein in bags in carlots at New York, subtract 6.6 cents and multiply by 2.2: Provided further, That if either computation results in a minus amount, the other shall be used in lieu of the average."

3. Payments to cooperative associations.- Strike out section 904.9, paragraph (a), and insert in lieu thereof the following:

"Payments to cooperative associations. Any cooperative association of producers may apply to the Secretary for a determination of its qualifications to receive payments pursuant to this section by reason of its having and exercising full authority in the sale of the milk of its members, using its best efforts to supply, in times of short supply, Class I milk to the marketing area and to secure utilization of milk, in times of long supply, in a manner to assure the greatest possible returns to all producers, and having its entire activities under the control of its members. After such determination, the cooperative association of producers shall be entitled to continue to receive such payment until it has been disqualified by the Secretary, after hearing, for failure to exercise the authority and to perform the functions upon which such determination was based.

"The market administrator shall make the payments authorized by this paragraph, or issue credit therefor, out of the producer-settlement fund on or before the 25th day of each month, subject to verification of the reports upon which such payment is based. Such payments shall be made to each cooperative association of producers under the following conditions and at the following rates:

"(1) To such association as furnishes its members market information and verifies the weighing, sampling and testing of the milk delivered by its members to any handler's plant, and which guarantees payment for such milk to its members, two cents per hundredweight of milk delivered by the members of such association to any handler's plant and on which such handler has made the reports and payments required by this order.

"(2) To such association as in addition to the other qualifications has been determined by the Secretary to have sufficient plant capacity to receive all the milk of producers who are members and to be willing and able to receive milk from producers not members, five cents per hundredweight of milk delivered at plants operated by such association."

Amend section 904.7, paragraph (b), by inserting after subparagraph (4) the following new subparagraph (5), and renumbering the subsequent subparagraphs in this section and paragraph:

"Subtract the total amount to be paid to cooperative associations of producers pursuant to Sec. 904.9(a)."

4. Transfers of milk from secondary markets to Boston.- Strike out section 904.3, paragraph (c) (2) and substitute therefor the following:

"Milk received by a handler at his plant for the marketing area (i) from persons reported by the handler as being under contract with that handler, either individually or through a qualified cooperative association of which they are members, to have their milk received and paid for as part of that handler's supply for a marketing area other than the Greater Boston marketing area, or (ii) milk transferred to his plant for the marketing area from his plant not otherwise subject to the terms hereof shall be considered as Class II milk."

Amend section 904.7, paragraph (a) to read as follows:

"For each delivery period the market administrator shall compute, subject to the provisions of Section 904.6, the value of milk sold, distributed, or used by each handler, which was not received from other handlers, or received pursuant to paragraph (c) (2) of Section 904.3, in the following manner:"

5. Butter class.- Strike out section 904.4, paragraph (c) (3) and substitute therefor the following:

"In the case of such milk made into butter at a plant more than 40 miles from the State House in Boston, the minimum price shall be computed by the market administrator, instead of the price otherwise applicable pursuant to this paragraph, as follows: from the average of the prices reported daily during such delivery period by the United States Department of Agriculture for 92-score butter at wholesale in the Boston market, deduct 5 cents, add $13\frac{2}{3}$ percent and multiply by 3.7: Provided, That any plus amount shall be added which results from the skim value as computed in subparagraph (1) of this paragraph less 15 cents."

Strike out section 904.8, paragraph (b) (2) and substitute therefor the following:

"To any producer, who did not regularly sell milk for a period of 30 days prior to February 9, 1936, to a handler or to persons within the marketing area, at not less than the price pursuant to Sec. 904.4 (c) (3), for all the milk delivered by such producer during the period beginning with the first regular delivery of such producer and continuing until the end of 2 full calendar months following the first day of the next succeeding calendar month; and"

Additional amendments proposed

1. Class II prices.- Amend the Class II formula (section 904.4(c)(1) and (2)) by providing a minimum price on cream to be used only when the cream price is demoralized by imports from outside States.
2. Class II freight allowance.- Strike out the last part of section 904.4(c)(2) which reads, "minus $5\frac{1}{2}$ cents," and insert in lieu thereof, "minus 4 cents."
3. Class II skim value.- Amend the Class II formula (section 904.4(c)(1)) to provide a value to producers for skim milk consistent with the value of the products into which the skim milk is manufactured.
4. Transfers of milk to other markets.- Add at the end of section 904.3, paragraph (c)(1), the following: "... not to exceed the total quantity of Class I milk at the plant of receipt."
5. Clarification of Class II price for milk made into butter.- Strike out that part of section 904.4, paragraph (c)(3), that reads "during the May, June, and September delivery periods in the case of such milk made into butter at a plant" and substitute in lieu thereof the following: "during the May, June, and September delivery periods in the case of such milk made into butter at a handler's own plant."
6. Freight allowance on sales outside the marketing area.- Strike out the proviso at the end of section 904.4, paragraph (d)(1), and substitute in lieu thereof the following: "Provided, That (i) if the market where such Class I milk is utilized is less than 10 miles from the plant where such Class I milk is received from producers, or if such plant is located not more than 40 miles from the State House in Boston, the railroad shipping point for such plant shall be presumed to be the railroad delivery point serving such market,"
7. Application of provisions to producer-handlers.- Add at the end of section 904.6, paragraph (a)(2), the following: "And provided further, That the quantity of milk received from his own farm production shall be included in reports required under section 904.5 as receipts from a producer."
8. Freight charge for handlers receiving all their milk at city plants.- Strike out section 904.7, paragraph (a)(4), and insert in lieu thereof the following: "(4) In the case of a handler who receives milk from producers, only at a plant located not more than 40 miles from the State House in Boston, and who receives Class I milk from another handler or handlers on which there is a freight allowance pursuant to section 904.4(d)(2), there shall be added to the amount computed pursuant to subparagraph (1) of this paragraph, the following amount: multiply by 25 cents either the total quantity of the Class II milk or his total receipts of such Class I milk from other handlers, whichever is smaller."

9. Deadline for receiving reports.- Strike out section 904.7, paragraph (b)(1), and insert in lieu thereof the following: "(1) Combine into one total the respective values of milk, computed pursuant to paragraph (a) of this section, for each handler from whom the market administrator has received at his office prior to the 11th day after the end of such delivery period, the report for such delivery period and the payments required by section 904.8(b)(3) and (g) for milk received during each delivery period since the effective date of the most recent amendment herewith;"

10. Payments by handlers with less than 10 percent of their sales in the marketing area.- Strike out the language of section 904.8, paragraph (g), and insert in lieu thereof the following: "Handlers subject to section 904.6(d) shall pay to producers through the market administrator, on or before the 23d day after the end of the delivery period, the value determined by multiplying the quantity of Class I milk disposed of in the marketing area by the difference between the prices applicable pursuant to section 904.4(b) and the prices applicable pursuant to subparagraphs (1) and (2) of section 904.4(c)."

11. Deadline for making market service and cost of administration payments.- From paragraphs (a) and (b) of section 904.9 and paragraph (a) of section 904.10 strike out "25th day" and insert in lieu thereof "23d day."

12. Definition of "producer."- Consider a revision of prices to be paid producers who may deliver their milk temporarily to another market.

13. Itemized statement of price and deductions to accompany handlers' payments to producer.- Consider an amendment that would require handlers to give each producer with his payment for the producer's milk an itemized statement showing the price at which payment is being made and all deductions taken from the pay check.

UNITED STATES DEPARTMENT OF AGRICULTURE
SURPLUS MARKETING ADMINISTRATION
DAIRY DIVISION

NOTICE OF HEARING WITH RESPECT TO A
PROPOSAL TO AMEND THE TENTATIVELY
APPROVED MARKETING AGREEMENT, AS
AMENDED, AND ORDER NO. 4, AS AMENDED,
REGULATING THE HANDLING OF MILK IN
THE GREATER BOSTON, MASSACHUSETTS,
MARKETING AREA.

WHEREAS, pursuant to the powers conferred upon the Secretary of Agriculture by Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, the Secretary tentatively approved, on January 19, 1940, a marketing agreement, as amended, and thereafter issued an order, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, marketing area, effective February 4, 1940; and

WHEREAS, various interested parties have proposed certain amendments to said tentatively approved marketing agreement, as amended, and to said order, as amended; and

WHEREAS, the Secretary has reason to believe that the declared policy of said act will be effectuated by holding a hearing on a proposal to amend said tentatively approved marketing agreement, as amended, and said order, as amended; and

WHEREAS, under the aforesaid act, notice of hearing is required in connection with a proposal to amend an order, and the General Regulations, Series A, No. 1, as amended, of the Agricultural Adjustment Administration, United States Department of Agriculture, provide for notice of and opportunity for hearing upon amendments to marketing agreements and orders:

NOW, THEREFORE, pursuant to said act and general regulations, notice is hereby given of a hearing to be held on said proposal to amend the tentatively approved marketing agreement, as amended, and Order No. 4, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, marketing area, beginning at 10:00 a.m., e.s.t., on October 14, 1940, in the State House, Montpelier, Vermont; at 10:00 a.m., e.s.t., on October 16, 1940, in the Senate Chamber, State House, Augusta, Maine; and at 10:00 a.m., e.s.t., on October 17, 1940, in the Gardiner Auditorium, State House, Boston, Massachusetts.

This public hearing is for the purpose of receiving evidence relative to proposals to (1) increase the price of Class I milk, (2) revise the formula for Class II milk, (3) provide for payments to cooperative associations rendering certain market services, (4) revise the provisions relative to transferring milk from secondary markets, (5) eliminate the limitation to the months of May, June, and September of the butter price, (6) make the butter price the price payable to "new producers", (7) change the times for filing reports and paying market service and administrative assessments, (8) fix a price to be paid to producers temporarily delivering to other markets, (9) require handlers to furnish producers with an itemized statement, and (10) further amend the order, as amended, by revising the freight allowance on sales outside the marketing area, the freight charge for handlers receiving all their milk at county plants, and the applicability of the order to producer-handlers.

Copies of the proposed amendments to said tentatively approved marketing agreement, as amended, and said order, as amended, may be obtained from the Hearing Clerk, Office of the Solicitor, Room 0310 South Building, United States Department of Agriculture, Washington, D. C., or may be there inspected.

Claude R. Wickard

Secretary of Agriculture

Dated: October 3, 1940

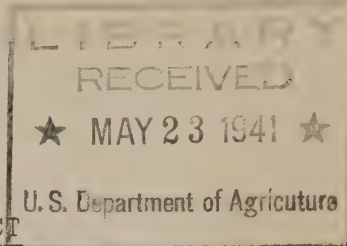
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Docket No. AO 14-A 7-RO 1

UNITED STATES DEPARTMENT OF AGRICULTURE
SURPLUS MARKETING ADMINISTRATION
DAIRY DIVISION



NOTICE OF REOPENING OF THE HEARING WITH RESPECT
TO A PROPOSAL TO AMEND THE TENTATIVELY APPROVED
MARKETING AGREEMENT, AS AMENDED, AND ORDER NO. 4,
AS AMENDED, REGULATING THE HANDLING OF MILK IN
THE GREATER BOSTON, MASSACHUSETTS, MARKETING
AREA, SUCH HEARING TO INCLUDE A PROPOSAL TO
EXTEND THE MARKETING AREA TO INCLUDE THE TOWN
OF WAREHAM, AND THE COUNTIES OF BARNSTABLE, DUKES,
AND NANTUCKET, MASSACHUSETTS.

Notice is hereby given that the hearing with respect to a proposal to amend the tentatively approved marketing agreement, as amended, and Order No. 4, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, marketing area, will be reopened on May 14, 1941, at 10:00 a.m., e.d.s.t., at the State House, Montpelier, Vermont, and will be reconvened on May 15, 1941, at 10:00 a.m., e.d.s.t., at the Bradford Hotel, Boston, Massachusetts.

This notice is given pursuant to the provisions of Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, and of the General Regulations, Series A, No. 1, as amended, of the Agricultural Adjustment Administration, United States Department of Agriculture.

This public hearing is for the purpose of receiving additional evidence concerning the proposed amendments considered at the former hearing, and, in addition thereto, proposals to (1) include in the marketing area the town of Wareham, and the counties of Barnstable, Dukes, and Nantucket, Massachusetts; (2) include definitions of "milk", "skim milk" and "cream"; (3) revise the provisions regarding transfers of milk to and from other markets; (4) revise the provisions regulating sales to second and third handlers; (5) revise the provisions regarding shrinkage and freight allowances; (6) eliminate the schedule of Class I prices payable to cooperatives for bulk milk at various points of delivery; (7) revise the Class I price to producers; (8) revise the provisions regarding sales outside of the marketing area; (9) revise the Class II price; (10) revise handling allowances and the price of milk used for making butter; (11)

revise the provisions regarding payments to cooperative associations; (12) require statements to producers; (13) change the butter-fat content used as a base point for prices; and (14) revise the order in certain other respects.

It is hereby declared that an emergency exists in the handling of milk in the Greater Boston, Massachusetts, marketing area which requires a shorter period of notice than fifteen (15) days; and it is hereby determined that the period of notice given is reasonable under the circumstances.

Copies of the proposed amendments may be obtained from the Hearing Clerk, Office of the Solicitor, United States Department of Agriculture, Washington, D. C., in Room 0310, South Building, or may be there inspected.

/s/ Paul H. Appleby

Acting Secretary of Agriculture

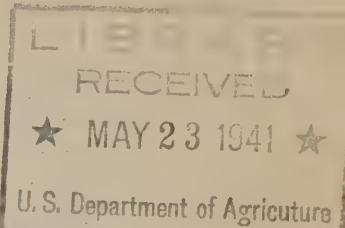
Dated: May 8, 1941

Washington, D. C.

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Notice of reopened hearing
signed by the Secretary of
Agriculture
1941

UNITED STATES DEPARTMENT OF AGRICULTURE
SURPLUS MARKETING ADMINISTRATION
DAIRY DIVISION



PROPOSAL TO AMEND ORDER NO. 4, AS AMENDED, AND THE TENTATIVELY APPROVED MARKETING AGREEMENT, AS AMENDED, REGULATING THE HANDLING OF MILK IN THE GREATER BOSTON, MASSACHUSETTS, MARKETING AREA, UPON WHICH THE SECRETARY OF AGRICULTURE HAS ISSUED A NOTICE OR REOPENED HEARING UNDER THE AGRICULTURAL MARKETING AGREEMENT ACT OF 1937.

The Secretary has received petitions to amend Order No. 4, as amended, regulating the handling of milk in the Greater Boston, marketing area, and to reopen a hearing held from October 14 to 18, 1940, to receive further evidence on changes proposed at that time, concerning which no amendment has been issued. The petition for reopening the former hearing was received from the following cooperative associations that together represent 50 percent or more of the dairymen supplying the Boston market: Bellows Falls Cooperative Creamery, Inc., Cabot Farmers Cooperative Creamery, Inc., Maine Dairymen's Association, Inc., Manchester Cooperative Dairy System, Inc., Milton Cooperative Dairy Corporation, New England Dairies, New England Milk Producers' Association, Inc., Northern Farms Cooperative, Inc., St. Albans Cooperative Creamery, Inc., and United Farmers Cooperative Association, Inc.

Other amendments for the reopened hearing have been proposed by New Bedford Milk Producers' Association, Inc., Massachusetts Guernsey Breeders' Association, Association of New England Milk Dealers, Inc., representing H. P. Hood & Sons, Inc., Whiting Milk Company, White Brothers Milk Company, and Lyndonville Creamery Association, the Greater Boston Consumer Committee on Milk Independent Milk Dealers' Association of Boston, other handlers, and the market administrator.

Under authority of Section 8c of Title I of the Agricultural Adjustment Act of 1933, as amended, the Secretary of Agriculture made effective on February 9, 1936, Order No. 4, regulating the handling of milk in the Greater Boston, Massachusetts, marketing area.

Order No. 4 for Boston was suspended August 1, 1936, was partially reinstated July 1, 1937, and was completely reinstated and amended August 1, 1937, under authority of the Agricultural Marketing Agreement Act of 1937. On February 4, 1940, Order No. 4, as last amended, became effective. On January 10, 1940, the Secretary gave his tentative approval to a marketing agreement, as amended, regulating the handling of milk in the Greater Boston, Massachusetts, marketing area, which marketing agreement, as amended, the handlers have failed or refused to sign. A hearing was held from October 14 to 18, 1940, to consider further amendments for which notice was issued on October 3, 1940. The Secretary of Agriculture did not find cause for an amendment from the record of that hearing.

The Secretary of Agriculture has issued notice of a reopened hearing to begin at 10:00 a.m., e.d.s.t., in the State House at Montpelier, Vermont, on May 14, 1940, and to begin at 10:00 a.m., e.d.s.t., in the Bradford Hotel, Boston, Massachusetts, on May 16, 1941, and to continue until all parties interested in presenting evidence relevant to amendments to the order have been heard at Montpelier, Vermont, at Boston, Massachusetts, or at such other times and places to which duly designated presiding officer may adjourn said hearing.

Any amendments to Order No. 4, as amended, and to the marketing agreement, as amended, issued on the basis of the above public hearings, can become effective only upon finding by the Secretary of the approval of two-thirds of the producers. Handlers will be given an opportunity to sign an amended marketing agreement embodying the provisions of Order No. 4, as it may be amended.

The following proposals include alternatives to proposals subject to consideration at the hearing held in October 1940 that were received during the course of the proceedings and other proposed amendments submitted in connection with petitions that the hearing be reopened. These proposals, together with all the proposed amendments considered at the former sessions of the hearing, are subject to consideration at the reopened hearing.

The following proposals are published in this form for the convenience of all interested parties and as a basis for public hearing. Their publication in this form is not to be taken as approval or disapproval by the Secretary of Agriculture. Producers, handlers, and others will be expected to put into the record any information in their possession which will aid the Secretary to determine the practicability of formulating further amendments to Order No. 4, as amended.

1. Definition of product. Consider inclusion of definitions of "milk," "skim milk," and "cream."

2. Definition of the marketing area. To the marketing area as defined in Sec. 904.1, paragraph (a)(3), add the following: the town of Wareham, and the counties of Barnstable, Dukes, and Nantucket, Massachusetts.

3. Transfers of milk to and from other markets. Delete Sec. 904.1(a)(5) and insert in lieu thereof the following:

"(a)(5) The term 'producer' means any person who, in conformity with the health regulations which are applicable to milk which is sold for consumption as milk in the marketing area, produces milk and distributes, or delivers to a handler, milk of his own production."

Delete the reference to milk received pursuant to paragraph (c)(2) from Sec. 904.3(a).

Delete Sec. 904.4(b)(3) and insert in lieu thereof the following:

"For the purpose of this paragraph, the milk which was sold or distributed during each delivery period by each handler as Class I milk in the marketing area shall be considered to have been first, that milk which was received from producers' farms at such handler's plant located not more than 40 miles from the State House in Boston; then, that milk which was received pursuant to Sec. 904.6(b) at such handler's plant located not more than 40 miles from the State House in Boston; and then that milk which was shipped from the nearest plant located more than 40 miles from the State House in Boston, including milk received pursuant to Sec. 904.6(b)."

Change both references to Sec. 904.3(c)(2) in Sec. 904.5(a) to "Sec. 904.6(b)."

Delete Sec. 904.5(b)(5) and insert in lieu thereof the following:

(5) "Reports as to producers. On or before the 8th day after the end of each delivery period each handler shall report the names of any persons whose milk he is reporting pursuant to Sec. 904.3(c) and 904.6(b) and include a certification that these persons have contracts as specified therein."

Delete Sec. 904.6(b) and insert in lieu thereof the following:

"Milk received from producers who are reported by a handler as under contract to have their milk received and paid for as part of that handler's supply for a marketing area other than this marketing area, shall be reported under a separate category, and the provisions hereof shall not apply except that such handler shall make payment as provided for in Sec. 904.8(h)."

Delete Sec. 904.7(a) and insert in lieu thereof the following:

"(a) Computation of value of milk for each handler. For each delivery period the market administrator shall compute, subject to the provisions of Sec. 904.6, the value of milk sold, distributed, or used by each handler, which was not received from other handlers or pursuant to Sec. 904.6(b) in the following manner:"

Delete Sec. 904.7(a)(3).

Add at the end of Sec. 904.7(b)(2) the words, "and (h)."

In Sec. 904.7(b)(5) change the reference Sec. 904.3(c)(2) to "Sec. 904.6(b)."

Add to Sec. 904.8 a new paragraph as follows:

"(h) Payments for milk received from producers for other markets. On or before the 23rd day after the end of each delivery period, handlers who receive milk pursuant to Sec. 904.6(b) shall pay to producers through the market administrator the value determined by multiplying the quantities of such milk in each class by the prices applicable pursuant to Sec. 904.4 and subtracting the value of such milk at the Class II prices in effect for the plants at which such milk is received."

Delete Sec. 904.3(c) and insert in lieu thereof the following:

"(c) Transfers of milk to other markets. (1) Milk received by a handler at one of his plants not subject to the provisions hereof from persons reported by him as under contract to have their milk received and paid for as part of his supply for this marketing area, shall be considered as received from producers and classified as Class I milk.

"(2) Milk or skim milk transferred by a handler to one of his plants not subject to the provisions hereof shall be classified as Class I milk, not to exceed the total quantity of Class I milk, or skim milk at such plant."

(All the above changes concerning transfers of milk to and from other markets are related.)

4. Transfers from secondary markets. Allocate milk transferred from secondary markets to Class II uses in the Boston market, and provide that it shall be charged and credited to the handler at the Class II price.

5. Sales to second and third handlers. Provide that milk sold by a second handler for manufacturing or Class II purposes shall be billed by the market administrator to the original or first handler at Class II prices.

6. Shrinkage. (a) Eliminate the provision that a handler must pay the Class I price for his shrinkage to the extent that he receives milk from other handlers, from other plants, or from secondary markets.

(b) Limit the allowable shrinkage to 2 percent of total purchases.

(c) Establish shrinkage allowances based upon the experience records now in possession of the market administrator for country plants and city plants as applied to all Class I sales by all handlers.

7. Freight allowances. Amend the order so that actual and not arbitrary freight rates are allowed.

8. Class I price to associations of producers. Eliminate from the order the schedule of Class I prices payable to cooperatives for bulk milk at various points of delivery.

9. Class I price to producers. Delete Sec. 904.4(b)(1), and insert in lieu thereof the following:

"\$3.46 per hundredweight during delivery periods from July 1 to March 1, and \$3.06 per hundredweight during delivery periods from March 1 to July 1, in each year, for such milk delivered from producers' farms to such handler's plant located not more than 40 miles from the State House in Boston.

Delete Sec. 904.4(b)(2), and insert in lieu thereof the following:

"\$3.28 per hundredweight during delivery periods from July 1 to March 1, and \$2.88 per hundredweight during delivery periods from March 1 to July 1, in each year, for such milk delivered from producers' farms to such handler's plant located more than 40 miles from the State House in Boston, less an amount per hundredweight (considering 85 pounds to one 40-quart can) equal to the lowest rail tariff

for the transportation in carlots of milk in 40-quart cans, as published in the New England Joint Tariff, M2, including revisions or supplements thereof, for the distance from the railroad shipping point for such handler's plant to such handler's railroad delivery point in the marketing area, or, if the handler has no plant in the marketing area, for the distance to Boston."

10. Sales outside of the marketing area. (a) Delete Sec. 904.4(d) (2).

(b) Delete Sec. 904.4(d) and insert in lieu thereof the following:

"The actual price paid by handlers in such outside marketing area not subject to the provisions of Order No. 4 regulating the handling of milk in the Greater Boston, Massachusetts, marketing area."

11. Class II price (5-percent freight provision). (a) From Sec. 904.4(c)(2) delete " - exclusive of milk delivered in bulk to other handlers -"

(b) Delete Sec. 904.4(c)(2) and insert in lieu thereof the following:

"Except as provided in subparagraph (3) of this paragraph, in the case of milk delivered to a handler's plant located more than 40 miles from the State House in Boston, the price shall be that calculated pursuant to subparagraph (1) of this paragraph minus $5\frac{1}{2}$ cents."

12. Class II price at city plants. (a) Delete Sec. 904.4(c)(1) and insert in lieu thereof the following:

"Except as provided in subparagraph (a) of this paragraph in the case of such milk delivered to a handler's plant located not more than 40 miles from the State House in Boston, a price which the market administrator shall calculate as follows: divide by 33 the weighted average price per 40-quart can of bottling quality cream in the Boston market, received from handlers' plants other than plants subject to Federal Milk Marketing Orders Nos. 4 or 27, as reported by the United States Department of Agriculture for the delivery period during which such milk is delivered multiply the result by 3.7 and subtract 25 cents; -Provided, That any plus amount for skim value shall be added which results from the average of the two following computations: (a) compute the average of all the weekly hot roller process dry skim milk quotations, 'other brand, human consumption, barrels, carlots,' and

for 'other brands, animal feed, carlots, bags or barrels' (using midpoint of any range as one quotation), published during such delivery period in the Producers' Price-Current, subtract $4\frac{1}{4}$ cents, multiply by 7; and (b) compute the average of all weekly quotations (using midpoint of any range as one quotation), published during the delivery period in the Oil, Paint, and Drug Reporter for domestic 20-30 mesh casein in bags in carlots at New York, subtract 6.6 cents and multiply by 2.2: Provided, further, That if either computation results in a minus amount, the other shall be used in lieu of the average."

"(2) In any month when the number of 40-quart cans of bottling quality cream received in the Boston market from handlers' plants other than plants subject to Federal Milk Marketing Orders Nos. 4 or 27 is less than 1000, in the case of such milk delivered to a handler's plant located not more than 40 miles from the State House in Boston, a price which the market administrator shall calculate as follows: to the average of the prices reported daily during such delivery period by the United States Department of Agriculture for 92-score butter at wholesale in New York market, add 15 cents, multiply by 3.7, and deduct 25 cents; Provided, That any plus amount shall be added which results from the skim value as computed in subparagraph (1) of this paragraph."

Renumber subparagraph (2) to (3) of Sec. 904.4(c).

Delete Sec. 904.8(d) and insert in lieu thereof the following:

"If any producer has delivered to any handler during any delivery period milk having an average butterfat content other than 3.7 percent, such handler shall, in making the payments to such producer prescribed by subparagraphs (1) and (2) of paragraph (b) of this section, add for each one-tenth of 1 percent of average butterfat content above 3.7 percent or deduct for each one-tenth of 1 percent of average butterfat content below 3.7 percent an amount per hundredweight which shall be calculated by the market administrator as follows:

"(1) Except as provided in subparagraph (2) of this paragraph, divide by 33 the weighted average price per 40-quart can of bottling quality cream in the Boston market, received from handlers' plants other than plants subject to Federal Milk Marketing Orders Nos. 4 or 27, as reported by the United States Department of Agriculture for the period between the 16th day of the preceding month and the 15th day inclusive of the delivery period during which such milk is delivered, subtract 2 cents and divide the result by 10.

"(2) In any period between the 16th day of the preceding month and the 15th day inclusive of the delivery period during which such milk is delivered, when the number of 40-quart cans of bottling quality cream received in the Boston market from handlers' plants other than plants subject to Federal Milk Marketing Orders Nos. 4 or 27 is less than 1000, to the average of the prices reported daily during such delivery period by the United States Department of Agriculture for 92-score butter at wholesale in the New York market, add 15 cents, and divide by 10."

(b) Increase by 25 cents per hundredweight the price payable by a handler for milk received direct from producers at his city plant for Class II use in an amount exceeding 10 percent of his Class I sales.

13. Handling allowance. (a) Increase from 5 cents per hundredweight to 15 cents per hundredweight the allowance to a handler for his costs in receiving milk from producers directly at his city plant for Class I use.

(b) Make the Class I and Class II station allowances each 23 cents per hundredweight.

(c) Incorporate a system of allowances similar to those in the New York order to compensate handlers for their extra costs, in concentrating milk for manufacture.

(d) Amend Order No. 4 to make the following creamery station allowances:

For stations handling not over 450,000 pounds per month, an allowance of 34 cents per hundredweight;

For stations handling from 450,001 to 650,000 pounds per month, an allowance of 26 cents per hundredweight;

For stations handling over 1,250,000 pounds per month, an allowance of 16 cents per hundredweight.

14. Price of milk used for making butter. Delete Sec. 904.4(c)(3) and insert in lieu thereof the following:

"(3) During any month of the year except November and December in the case of such milk made into butter at a plant more than 40 miles from the State House in Boston, the minimum price shall be computed by the market administrator, instead of the price otherwise

applicable pursuant to this paragraph, as follows: from the average of the prices reported daily during such delivery period by the United States Department of Agriculture for 92-score butter at wholesale in the Boston market, deduct 5 cents, add $16\frac{2}{3}$ percent and multiply by 3.7: Provided, That any plus amount shall be added which results from the skim value as computed in subparagraph (1) of this paragraph less 15 cents."

Delete Sec. 904.8(b)(2) and insert in lieu thereof the following:

"To any producer, who did not regularly sell milk for a period of 30 days prior to February 9, 1936, to a handler or to persons within the marketing area, at not less than the price pursuant to Sec. 904.4(c)(3), except that during the November and December delivery periods the Class II price in effect for the plant at which such producer delivered milk shall apply, for all the milk delivered by such producer during the period beginning with the first regular delivery of such producer and continuing until the end of 2 full calendar months following the first day of the next succeeding calendar month; and"

15. Clarification of application of butter class. Modify Sec. 904.4(c)(3) to read as follows: "During the May, June, and September delivery periods, in the case of such milk, other than route returns, made into butter at a handler's own plant more than 40 miles from the State House in Boston, . . ."

16. Payments to cooperative associations. Delete Sec. 904.9(b) and insert in lieu thereof the following:

"In the case of producers who are members of a cooperative association, which the Secretary determines to be qualified under the provisions of the Act of Congress of February 18, 1922, known as the 'Capper-Volstead Act,' each handler shall make such deductions from the payments to be made direct to such producers, pursuant to Sec. 904.8, as may be authorized by such producers and, on or before the 25th day after the end of each delivery period, pay over such deductions to the association of which such producers are members."

17. Application of provisions to producer-handlers. Delete Sec. 904.6(a) and insert in lieu thereof the following:

"(a) Handlers who are also producers. (1) Except as provided in subparagraph (2) of this paragraph, no provision hereof shall apply

to a handler whose sole source of milk supply consists of receipts from his own production and/or receipts from other handlers, except that such handler shall make reports to the market administrator at such time and in such manner as the market administrator may require.

"(2) In the case of a handler who is also a producer and who receives milk from producers, or whose average daily production is more than 1,000 pounds of milk, the quantity of milk received from his own farm production shall be considered as receipts from a producer."

18. Application of provisions to handlers serving more than one market from the same plant. Incorporate into Order No. 4, Sec. 947.3(d) and related provisions of the order regulating the handling of milk in the Fall River marketing area.

19. Overlapping of Federal orders. Add a new paragraph (e) to Sec. 904.6 as follows:

"(e) Milk subject to the New York order. The provisions hereof shall not apply to the handling of milk received at any handler's plant which is subject to the provisions of the order regulating the handling of milk in the New York metropolitan marketing area (Order No. 27), issued by the Secretary on August 5, 1938, and on August 26, 1938, made effective as of September 1, 1938, as amended, or of any order superseding or amending such orders."

20. Freight "charge back" provision. Delete Sec. 904.7 (a)(4).

21. Advance payments to producers. Delete Sec. 904.8 (a) and insert in lieu thereof the following:

"On or before the 25th day of each delivery period, each handler shall make payment to producers for the approximate value of milk received during the first fifteen days of such delivery period. On or before the 10th day after the end of each delivery period, each handler shall make payment to producers for the approximate value of milk received during the remainder of such delivery period. In no event shall such advance payments be at a rate less than the Class II price for such delivery period."

22. Off-rail freight deduction. Delete Sec. 904.8(f)(1).

23. Deductions for plants in the 40-mile zone. Revise Sec. 904.8(f)(2) to read as follows:

"With respect to milk delivered by producers to a handler's plant which is located outside the marketing area and more than 14 miles but not more than 40 miles from the State House in Boston,
. . . ."

24. Itemized statements to producers. Insert the following as subparagraph (h) of Sec. 904.8:

"(h) Statements to producers. In making the payments to producers prescribed by subparagraphs (1) and (2) of paragraph (b) of this section, each handler shall furnish each producer with a supporting statement, in such form that it may be retained by the producer, which shall show:

"(1) the delivery period, and the names of the handler and producer,

"(2) the total pounds and average butterfat test of milk delivered by the producer,

"(3) the minimum rate or rates at which payment to the producer is required under the provisions of paragraphs (b), (d), and (e), of this section,

"(4) the rate for such milk delivered from the producer's farm to the handler's plant, which is used in making the payment, if other than the applicable minimum rate,

"(5) the amount or the rate per hundredweight of each deduction claimed by the handler, including any deductions claimed under Sec. 904.8(f) and Sec. 904.9(b), together with a description of the respective deductions, and

"(6) the net amount of payment to the producer."

25. Percent of butterfat as basing point for prices. Change from the use of 3.7 percent butterfat content to 3.4 percent for all prices.

